

302902
2



THE INDEPENDENT

Monday 1 December 1997

(R50p) 45p No 3,470

Women lose up to £10bn under Labour

Measures proposed by the Chancellor of the Exchequer since 1 May could end up making women billions of pounds poorer. Diane Coyle, Economics Editor, examines the hidden gender bias in Gordon Brown's plans.

Changes to government spending plans since the general election, and proposals for a new tax credit put forward in last week's Green Budget, overwhelmingly penalise women and favour men. Women could be up to £10bn worse off as a result of Mr Brown's policies, while the increased "New Deal" spending on welfare-to-work programmes heavily favours men, according to independent researchers.

The biggest threat to women's pockets comes from Mr Brown's intention, signalled last week, to introduce a "working families' tax credit". Experts reckon it could cost female earners billions of pounds.

Unlike Family Credit, the existing benefit for low-earner households, the new tax credit would go directly into the pay packet of the household's main earner. In three-fifths of eligible families, that is the man.



Gordon Brown: Proposed measures hit women hard

The Government's controversial decision to go ahead with the cut to lone parent benefit is just one example of the emerging gender bias. It will save £400m a year from the social security budget, and the Government has insisted that it has no alternative but to go ahead with it because of the pressure on the public finances.

The burden will fall almost entirely on single mothers. Of Britain's 1.4 million lone parents with dependent children, 1.2m are women and only 120,000 are men.

Alistair Darling, Chief Secretary to the Treasury, yesterday defended the cut in lone parent benefit, saying it was more important to get people back to work than to pay them benefits. Speaking on *On The Record*, he said: "We have brought forward as Gordon Brown announced last week, the welfare-to-work programme which will provide a million places for children, enabling lone parents to get into work."

But Ann Cryer, Labour MP for Leigh, said: "My message for Labour MPs, particularly to the 101 Labour women MPs, is that I think we ought to stand together on this and we ought to send a message to women outside those who are going to

be on the receiving end, that we're on their side."

In the Green Budget, Mr Brown said £300m would be spent on up to 30,000 after-school clubs, with £220m coming from Lottery funds. This followed the announcement in July of extra spending of £200m over three years on a scheme to help lone parents claiming benefit get back into work. However, the £500m combined spending on the programmes compares with the £3.2bn Mr Brown allocated for young people unemployed for more than six months. The "New Deal" programme gives four alternatives to work: full-time education, a subsidy to be taken up by a private-sector employer, voluntary work or a position on a new environmental task force.

Although the number has been falling rapidly since the introduction last October of the Job Seekers' Allowance, there are still 122,096 18-to-24 year olds who have been out of work for longer than six months, according to the latest official figures. Of those nearly three-quarters (89,387) are men. One adviser to the Government, privately acknowledging that the schemes favour men, said: "Single motherhood is the female equivalent to these long-term unemployed youths."

The expenditure on returning young people to work amounts to more than £26,000 per head, compared to £350 per head per lone parent. Although the Government has made plain its determination for single parents to work wherever possible, making a real dent in the numbers claiming benefit will be very expensive because of the cost of childcare.

The new working families tax credit looks set to be equally controversial. If the credit directly replaced Family Credit, which is paid to the woman in three-fifths of cases, rather than supplementing it, it would represent a transfer of about £400m from men to women, according to the Institute for Fiscal Studies (IFS), an independent research body.

In addition, the working families tax credit would almost certainly require the reintroduction for claimants of the joint taxation of husbands and wives - or cohabiting partners.

The full abolition of independent taxation of men and women, introduced by Nigel Lawson in 1988, would cost women £14bn because second earners would start paying tax on their first pound of income. It would drive many women who work part-time back into the home by making it not worth their while to work.

While the Government would be extremely unlikely to impose joint taxation on all couples - which would be politically explosive - the proposed tax credit will require claimants to opt for joint taxation. Otherwise, it would unfairly reward poorly paid second earners with a high-income partner.

Chris Giles, an economist at the IFS, said: "A switch to any form of joint taxation would cost women a huge amount of money." This figure would run into several billions, he said. While their husband or partner would gain the new tax credit, many women would have to pay much more tax.



Japan singled out the United States as the key to the success or failure of the world conference on climate, which opens today in the ancient Japanese city of Kyoto.

The former Japanese capital is a city of old palaces and places of worship that hark back to the imperial past, where parents still dress children in traditional costumes (above) for ceremonies at the ancient shrines to pray for their future happiness.

The Japanese see the Kyoto conference as one of the keys to its future happiness as well. Tokyo wants a diplomatic triumph, to confirm its image as a great modern power, and to banish the lingering opprobrium from the Second World War. The 160 states attending are due to hammer out an agreement on reducing gases such as carbon dioxide, set off by burning oil and other fossil fuels.

But a wide gap still exists between the Europeans, who back significant cuts in emissions, and the United States, where public opinion fears such cuts will lead inexorably to a sharp increase in the cost of living.

Campaigners have invested Kyoto with enormous expectations. A Greenpeace spokesman, Bill Hare, said: "This is not just the last great battle of the 20th century, this is the most important environmental negotiation ever conducted."

Photograph: David Swanborough
Kyoto summit, page 7
Letters, page 12

INSIDE TODAY

Terrible truths about badgers

ENVIRONMENT

Deborah Ross asks Andrew Morton the £5m question

INTERVIEW

Harry Evans, back in the old New York biz

MEDIA+



9 770951 946511

TELEVISION The Eye, page 12
CROSSWORDS Page 20 and the Eye, page 9
WEATHER The Eye, page 10

Web address: <http://www.independent.co.uk>

TODAY'S NEWS

Eye transplant from woman with CJD

The risk of organ transplants was highlighted after it was disclosed that eye tissue from a woman was transplanted into three patients before it was discovered she had been suffering from Creutzfeldt Jakob disease. Officials said "immediate action" was being taken to improve safety checks, but it was unclear what they might be. Page 3

Museums' lottery error

Museums may have undermined their own case against charging fees by accepting hundreds of millions from the National Lottery and spending it on new buildings rather than on developing their services, according to the independent Policy Studies Institute. Page 3

Minister's tax-free £12m

The £12m held in a blind trust in Guernsey on behalf of Geoffrey Robinson, the Paymaster General, would never come under British tax jurisdiction, according to his colleagues. Alistair Darling, Chief Secretary to the Treasury, said that Mr Robinson's money came from a Belgian woman who held it in Switzerland, and that nothing improper had been done. Page 4

Nazi gold conference

The head of the Swiss delegation to tomorrow's London conference on Nazi gold yesterday said his country had done enough to compensate victims. He fears the conference will continue to make the Swiss scapegoats, while other countries escape opprobrium. Page 8

MOUTH WATERING OYSTERS. (BUT NOT FROM OUR FOOD HALL.)



Watch shown available in 18ct yellow gold priced £10,420, 18ct white gold £11,140. The Watch Room, fine jewellery, gem and glass.

It's probably the largest, most tempting display of Rolex Oysters you'll ever see, all glittering beneath the crystal chandeliers in our Watch Room. And because we don't believe you'll ever see finer chronometers in your life, we've made sure it's not far from the champagne in the Wine Department. Just in case you should feel like celebrating the purchase of a lifetime.

Harrods

Harrods, Knightsbridge, London SW1X 7NL. Telephone 0171-730 1234.



COLUMN ONE

Clean-living robot moves into the sitting room

In his novel *3001*, the science fiction writer Arthur C Clarke envisaged a future where tiny household robots came out at night to take care of domestic chores while humans were asleep. That dream looks set to move a little closer to reality – with the advent of the self-operating vacuum cleaner.

The domestic robot, which can be left to clean the carpets unsupervised and more thoroughly than by human hand, is set to be unveiled today by one of the world's biggest electronic companies. The miniature, disc-shaped Electrolux android (pictured) is able to navigate its way around a room without collisions, due to an electronic brain and sophisticated navigational radar system. Its shape is said to have been inspired by the trilobite, an arthropod which lived hundreds of millions of years ago and survived by crawling along the ocean bed, sucking up microscopic debris.

The man who likes exotic hi-tech electronic gadgets for Christmas might not appreciate its menial nature, but when it goes into mass production in the next few years, he should at least find it affordable – it is expected to retail for about £500 in high-street stores.

The robot is battery-powered and initially travels slowly around a room, "memorising" its dimensions. Its height enables it to travel under furniture and it can move around small objects without touching them. It cleans 95 per cent of the accessible floor area, compared with an average 75 per cent for humans (although some households might treat 75 per cent as unusually clean). The robot takes approximately 20 minutes to clean an average-sized living room, and it can do an entire floor if doors are left open. It is able to do this because it is mounted on high-grip rubber wheels and a central castor, which allows it to swivel out of the way of obstacles. It is, however, unable to negotiate stairs.

Last June, Japanese scientists unveiled their prototype "delivery robot", designed to move around homes or offices. Other domestic robots said to be in development include Honda's two-legged waiter, and a small machine that can crawl up drainpipes in order to clean gutters. Perhaps mindful of the domestic panics caused by appliances being left on, Electrolux have ensured that their vacuum cleaner turns itself off when finished, and some models will automatically return to an electronic charging stand.

As Electrolux's offices were unmanned yesterday, *The Independent* was unable to determine whether the vacuum cleaner would also mean that there was something on the television that it wanted to watch, keep hold of all loose change found under the sofa, and then demand admiration for having performed the task.

— Jojo Moyes

CONTENTS

Leading stories	3	Style	14
Politics	4	Interview	15
Health news	5	Obituaries	19
News	6	Shares	17
Environment news	7	Business	18, 19
European news	8	Back page	20
World news	9	Crossword	The Eye, 9
Leader, letters	12	Weather	The Eye, 10
Comment	13	TV & Radio	The Eye, 11, 12

TOURIST RATES

Australia (dollars)	2.38	Italy (lira)	2,822
Austria (schillings)	20.15	Japan (yen)	211.46
Belgium (francs)	59.19	Malta (lira)	0.63
Canada (\$)	2.32	Netherlands (guilders)	3.23
Cyprus (pounds)	0.83	Norway (kroner)	11.77
Denmark (kroner)	10.98	Portugal (escudos)	291.05
France (francs)	9.60	Spain (pesetas)	241.91
Germany (marks)	2.87	Sweden (kroner)	12.70
Greece (drachmes)	457.95	Switzerland (francs)	2.33
Hong Kong (\$)	12.56	Turkey (lira)	316,402
Ireland (punts)	1.09	USA (\$)	1.63

Source: Thomas Cook
Rates for indication purposes only

PEOPLE



Lucile McLauchlan: Married yesterday to long-standing boyfriend, Grant Ferrie

Saudi nurse weds in 'unforgettable' ceremony

British nurse Lucile McLauchlan, held for nearly a year in a Saudi jail over the killing of a fellow nurse, yesterday married her fiancé in an unprecedented and "unforgettable" ceremony.

The Foreign Office confirmed that McLauchlan married her long-time boyfriend Grant Ferrie in a courthouse in Damman. The wedding was conducted by a Saudi judge, and witnessed by a British consular official. The nurse's brother, John, travelled to Saudi Arabia for the event but her parents did not attend.

The bride is reported to have worn traditional Arabian dress and veil at the ceremony. After the 20-minute ceremony the newlyweds went on the Damman police station for a wedding reception and fruit juice and a cake and flowers provided by consular officials. McLauchlan later returned to prison, where, according to defence lawyer Sala al-Hejailan, she took some of the wedding cake for her co-defendant Deborah Parry.

Mr Hejailan said the fact that the "unprecedented" ceremony was taking place showed Saudi officials could be flexible and understanding.

"There are many unprecedented elements in this case and this is one of them, for a female foreign prisoner to get married," he said.

The lawyer said that visits by her husband would

be allowed by the authorities after the marriage, in line with Saudi practice, and these would take place in "specific premises" within the jail.

Family friends have said that the couple, who knew each other before the former Dundee nurse travelled to the Arab kingdom, had planned to marry in June, and both had decided they did not want the year to go by without showing their commitment to each other.

"Even under the nightmare when she was facing the death penalty they were adamant to get married and were seeking permission," Mr Hejailan said.

The go-ahead for the wedding came after lengthy negotiations between Saudis and British diplomats. McLauchlan, 32, is facing an eight-year jail term and 500 lashes, and the sentence on Parry, 39, of Alton, Hampshire, has yet to be confirmed.

The threat of a possible death sentence for Parry was lifted after the family of Yvonne Gilford, the dead nurse, waived their right to demand the death penalty.

McLauchlan was convicted of the lesser crime of being an accomplice in the death, and Saudi lawyers say they are optimistic that both women will serve only a short term and that Saudi authorities will allow the sentence to be served in Britain.

— Jojo Moyes

Politics brought Dobbs 'passion and despair'

After years prowling the dark corridors of power, Michael Dobbs found fame writing political novels, denied that he was facing bankruptcy. He said the reason for the sale of the home was "because of changes in my private life. This has been brought about by my long involvement in politics, which has gone on perhaps for too many years."

The former Conservative Party deputy chairman revealed yesterday that he has paid a heavy price, personal and financial, for his life long affair with politics. He was, he said, "in the darkness of private despair".

Mr Dobbs' wife Amanda, the mother of his two sons, recently became a Buddhist lama taking the name O-Sel. The couple's £500,000 dairy farm in Bridport, Dorset, is now for sale. He had written one book in the last three years, and has had "no income" for the last two.

The author, whose Westminster trilogy – *House of Cards*, *To Play the*

King and *The Final Cut* – became a highly successful television series, never gone into electoral politics is for this very reason – to remain private. The idea that everyone in politics is on the make is hopelessly wrong. Financial and personal costs are great... I am not complaining, it's merely a fact of political life."

The former chief of staff to Lord Tebbit said he was proud of his achievements. He was with Baroness Thatcher when she went into No 10, and worked for John Major. However, he believes that under William Hague the party is "sleepwalking towards disaster".

Mr Dobbs now working on his seventh novel, *The Buddha of Brewer Street*, about a fictional Dalai Lama born in Sobo, central London. He plans to move to London to continue with his writing.

— Kim Sengupta

UPDATE

Apology to Versace

On Wednesday, 16th July we printed an article entitled "Darkness Behind the Glamour" following the murder of Gianni Versace. We regret any implication that Mr Gianni Versace could not support his lifestyle by legitimate means, that he overreached himself or that he had any involvement with the Mafia or money-laundering activities by organised crime. We also wish to make it clear that there was no intention whatsoever to suggest that any of the Versace companies or Mr Gianni Versace's brother, Santo Versace, or his sister, Donatella Versace, were so involved and we accept that any such suggestion would be wholly unsubstantiated and untrue. We apologise unreservedly for the distress this has caused the Versace family and we have agreed to pay substantial compensation to Versace which will be used by Versace for charitable purposes.

BEHAVIOUR

Children imitate TV violence

One-quarter of parents believe their children behave in an anti-social manner after watching certain videos or television programmes, according to a new survey. Imitating screen violence is the main problem and the effects are most marked on younger children, aged under 10, says the study.

Interviews with 500 parents by set-top box maker Pace Micro Technology, reported lack of concentration, hyperactivity and increased materialism, but the main worry was imitation of screen violence, particularly in the under-10s. Of those who reported anti-social behaviour, 17 per cent complained of imitating violence. Among the programmes cited as culprits were *Power Rangers*, which was the most frequently named by 8 per cent of parents, followed by *Gladwin* with 1 per cent.

VIDEOS



TRANSPORT

Rural young at a disadvantage

Unemployed youngsters in rural areas could miss out on discounted travel to job interviews because of poor public transport, the Government has been warned. The Rural Development Commission said it was concerned that young people in rural regions would find it difficult to get the chance of training or job opportunities. Transport groups National Express and Stagecoach have announced travel discounts for youngsters on the Government's flagship "New Deal" employment programme. But John Edwards, operations director at the commission, said: "Travel discounts are fine for young people who have access to public transport. What happens to those who live in remote rural areas where transport is non-existent in some cases?"

INDUSTRIAL RELATIONS

Firms benefit from power-sharing

Relations between workers and their managers improve if employees are given greater involvement, according to a new survey. Partnership between unions and management in industry was "widespread", the poll of 50 organisations by research group Industrial Relations Services found. Half said that they usually adopted a power-sharing approach, involving workers in day-to-day decisions. But two in five said they made decisions, and expected workers to fit in. Most said worker-management relations had improved as a result of greater employee involvement.

SOCIETY

Go north for a chat

When it comes to taking time for a chat, northerners are the friendliest, mobile phone operator Orange says. Research by the company found that on average 40 per cent of Britons had talked to their neighbours within the last week except in London where only 14 per cent stopped for a chat. And only 17 per cent of Londoners would join in a conversation at a bus stop – against a national average of 37.5 per cent. Birmingham was most chatty – 55 per cent of those surveyed had talked to their neighbours in the last week. The Scots are the most talkative shoppers – 74 per cent of those surveyed in Edinburgh stop to talk when they pay for their groceries.

7.30 FOR 8

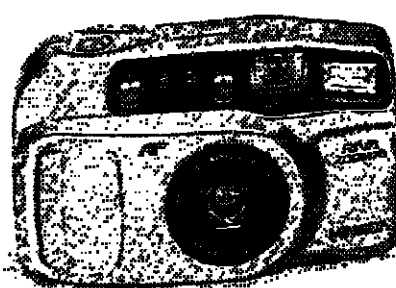
by Chris Priestley

ZITS

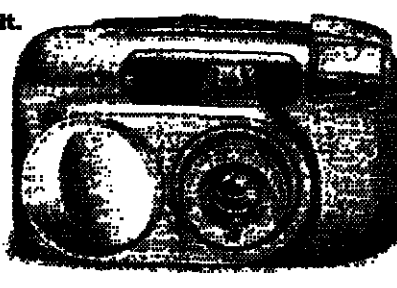
by Jerry Scott & Jim Borgman



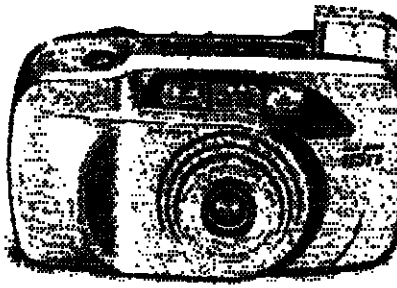
GET YOURSELF A BIGGER TREE THIS CHRISTMAS.



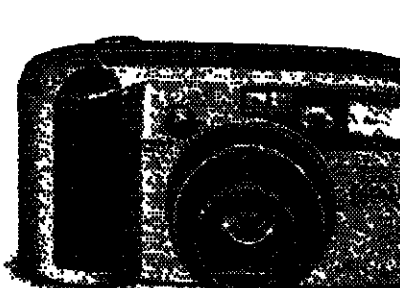
Riva zoom 70 outfit.
35-70mm Zoom.
Fully automatic. High quality aspherical Zoom lens. Self timer. Versatile automatic flash with red eye reduction.
£89.99



70W outfit.
28-70mm Zoom.
Ultra wide-angle telephoto Zoom lens. Smooth 'pebble shaped' design. Soft flash for natural looking portraits.
£169.99



115EX outfit.
38-115mm Zoom.
Soft flash for natural portraits and close-ups. Sleek 'capsule' design. Fully retractable Zoom lens and flash. Aluminium casing.
£199.99



140EX outfit.
38-140mm Zoom.
The world's smallest Zoom compact in class. Five 'modes' match your subject. Stylish aluminium casing. Includes remote control.
£249.99

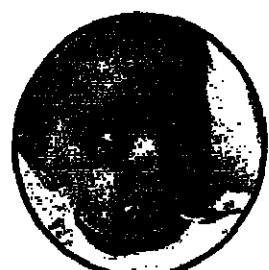
Minolta (UK) Ltd, Rookley Park, Proceedure Drive, Rookley, Milton Keynes, MK13 8HF.

MINOLTA

سكناء الامم

IN TOMORROW'S 5-SECTION INDEPENDENT

The do's and don'ts of making toddlers eat right



Dr Phil Hammond finds a cure for road rage



Roy Scheider: a star to everyone but his father



Museum charges 'inevitable' after lottery-fuelled building spree

Museum charges are inevitable, according to a report by the Policy Studies Institute. David Lister, Arts News Editor, examines its findings, which blame the National Lottery as well as museum directors obsessed with glamorous rebuilding projects.

Lottery money awarded to museums and galleries may have the unforeseen effect of making admission charges inevitable.

A report to be published today by the Policy Studies Institute, the independent think tank, says the reason is that so much money has been spent on glamorous building projects and so little on essential work such as conservation, documentation and services for the public, including widening access.

Some of the national museums and galleries fighting to remain free have won large lottery sums for redevelopment and rebuilding projects. The British Museum, Tate Gallery and National Portrait Gallery are among these.

According to the latest edition of *Cultural Trends* from the PSI, 73 per cent of the £294m of lottery money that has been awarded to museums and galleries is being spent on new building projects.

Only 5 per cent of the money was spent on conservation and documentation. One striking contrast is that £215m has gone to new building and a mere £141,000 to research, hitherto one of the main activities for museums.

One museum director told the PSI that the lottery had "promoted greed" among his colleagues. And the PSI report concludes that the big building projects now being undertaken "might not be sustainable in the long term" because of the increased running costs they will incur. That alone has the introduction of charges among the museums that remain free.

In a damning conclusion, the PSI observes: "Applicants may have deliberately sought funding for major building projects, rather than conservation and documentation projects which are less visible and may be less attractive to sponsors or certain partnership funders... Moreover, there are indications that the lottery may well have

distracted museums from these core functions [conservation and documentation]." The report also notes that lottery funding was not distributed evenly across the country. More than 60 per cent of it was spent in London, and more than half went to just a dozen museums and galleries. No awards were made for new buildings, refurbishment or equipment in Northern Ireland, and nothing was spent on new buildings, acquisitions or commissions in the North-east.

The PSI conducted a national survey of museum directors for its information. This also found that, despite the fact that one-fifth of museums are based in Scotland, they represent only 7 per cent of all charging museums. The majority of museums which charge visitors are based in the south of England and in the Midlands. It also found that the Government is making these decisions on ambiguous and contradictory research. The Museums and Galleries Commission says that museum attendance fell by one-third between 1993 and 1995 - a period when, according to the British Tourist Authority, numbers were constant.

The Government will make a statement in the next 10 days about charging. It is likely to distance itself from its commitment to free admission at national museums and galleries following the Culture Secretary Chris Smith's failure to convince the Treasury to give an increase in funds. But it may increase the grant to the British Museum to prevent it from introducing charges in the near future. But that action could provoke a museum war as Dr Alan Borg, head of the Victoria and Albert Museum, has said he would not tolerate the British Museum receiving a "handout" and his museum getting nothing.

The Government's likely abandonment of the principle of free admission contradicts earlier commitments. The Prime Minister, Tony Blair, said in February when he was leader of the Opposition: "We are concerned about the introduction of admission charges in national museums. The evidence suggests that high charges can lead to a big decline in attendance." The Arts Minister Mark Fisher told the Commons in June: "We do not want anyone to be charged entry to national museums and galleries."

"Cultural Trends", £17.95, available from Grantham Books 01476 541080.

Letters, page 14



Unwelcome at the inn: The offending Guinness poster, held by Stag's Head landlord Peter Doherty

Craig Easton

Publican tries to make sense of poster backlash

A Liverpool publican is claiming there has been a near-boycott of his pub after a Guinness promotional poster featuring the Ku Klux Klan was put up in his absence.

Jojo Moyes reports.

Landlord Peter Doherty, 39, says that the Stag's Head, near Toxteth, has suffered since the prototype poster, which features Ku Klux Klan members under Guinness's current advertising slogan "Not everything in black and white makes sense", appeared in his pub in September.

Mr Doherty claims the poster must

have been put up by a Guinness representative while he was away on business. When he returned, he said, his largely multicultural clientele accused him of being a racist. Windows and furnishings were damaged and the pub was shunned by locals.

Although he had immediately removed the poster, local students and medical personnel, who had previously formed much of his custom, he claimed, shunned the pub.

"Reps come by a lot, to do promotions and put posters or banners up, or give out beer mats. On this particular occasion I was off on business," he said.

"When I came back, a couple of days later, people had complained and called me a racist. We had a broken table, broken

glasses, and some of the furniture had been slashed. Our windows got broken in the middle of the night. We'd never had anything like this before."

Mr Doherty claims he has had so many telephone calls accusing him of being racist and "white trash" that he has been forced to disconnect his telephone and use a pager.

"It shouldn't have happened. It's distasteful to me, and I'm white. We're only two miles from Toxteth here, and it's just not a good idea to stir up racial tensions in this area."

But a spokesman for Guinness yesterday said that the local salesman had not visited the pub during the time concerned. He said it was a mystery as to where the poster had come from, as the

only copies of that particular design had been shelved at proof stage.

"We were producing the commercial and this was one of the scenes in the original script. We proofed up some posters, and they went out to some of the sales force, but then we did some research with consumers and found that this particular Ku Klux Klan theme was perhaps tending to cause offence with coloured people," he said.

"We subsequently took the decision to withdraw it, as the last thing we wanted to do was offend. The whole reason for putting the Ku Klux Klan in was to ridicule them." The spokesman added that Guinness wanted to get to the bottom of the matter, and had instructed its lawyers to investigate further.

Transplant patients risk CJD after receiving tissue from infected woman

Transplant experts said yesterday that three patients who received donated tissue from the eyes of a woman suffering from CJD could be at risk of developing the disease.

But they insisted that the benefits of transplants far outweigh the risks, says Jeremy Laurence, Health Editor.

A new threat to Britain's transplant programme emerged yesterday after it was disclosed that a woman who died of lung cancer was later allegedly found to have been suffering from Creutzfeldt Jakob disease after tissue from her eyes had been transplanted into three other patients.

The woman, named by a newspaper as Marion Hamilton, was reported to have agreed to the use of her organs before her death at the age of 53. The corneas from her eyes together with the sclera (the white of the eye) from one were given to three patients. Later, a routine post-mortem examination

is understood to have shown that she had CJD.

The Scottish Office said in a statement that it was aware of the "potential infection of eye tissue" taken from a patient. "Immediate action is being taken to increase safety checks to minimise the chances of this happening," it said.

It was unclear last night what those safety checks might be. Robina Balderson, chief executive of the UK Transplant Authority, said doctors had to judge whether a patient's organs were suitable for transplant on the basis of the best information avail-

able at the time. They could not wait for the result of a post-mortem examination because organs must be transplanted fresh. She said 5,000 patients a year received transplanted organs or tissue and there were 6,000 on the waiting list.

"Every single transplant either saves the life or the sight of a patient. This case is clearly tragic for the family concerned but I would be horrified if it increased the fear of those on the waiting list or reduced the number of donors coming forward."

Doctors are required to follow strict guidelines in deciding whether the organs

from a patient who has died are suitable for transplant. Infection with HIV or hepatitis, for example, would automatically rule out that patient's organs for transplant.

Evidence from abroad has shown that CJD can be transmitted via corneal transplants and in other neurosurgical procedures although no cases have occurred in Britain. However, there is no test for CJD and it can only be confirmed by a post-mortem examination of the brain.

Professor Jeff Almond, an expert on CJD and a member of the Government's Spongiform Encephalopathy Advisory

Committee (SEAC), said it was by no means certain that the patients who had received the donated tissue would develop CJD. "It could be a very rare event. I'm not aware of any study showing how frequent it is," he said. He said the risks had to be balanced against the benefits of the transplant.

John Dark, transplant surgeon at the Freeman Hospital, Newcastle upon Tyne, said: "CJD is vanishingly rare. There is an element of risk in everything we do in transplant surgery. Compared with the other risks we take, the chances of getting CJD are very small."

CHAT
AS LONG
AS YOU LIKE
FOR 50P

Our big 50p offer just got bigger.
(Now Sunday as well as Saturdays.)

Would you like more time for those long, relaxed conversations, at any time, any weekend? Well here's your chance...because from 1st November, our 50p offer covers the whole weekend.

Imagine, every UK long distance call every Saturday and Sunday, during November and December, will be rated as normal until

it reaches 50p...then you can stay on the phone for as long as you like without paying a penny more.

This unique offer is just one of the many ways Cable & Wireless can save you money on your phone calls every day of the week.

To find out more, FreeCall 0500 500 344 quoting KINDEL.

CABLE & WIRELESS
What can we do for you?

Including VAT @ 0.5%. Long distance refers to national and regional UK calls. Calls to non-geographic numbers and calls made using the Cable & Wireless Calling Card do not qualify for this promotion. This offer is only available to Residential Landline and Local Call customers.

Union chief lends support to Labour welfare rebels

The leader of Tony Blair's own union, Bill Morris, yesterday joined the calls to halt cuts in the welfare state. Colin Brown, Chief Political Correspondent, says some in the Government believe a U-turn is possible over cuts in benefits for one parent families and higher council taxes.

The growing protest against threatened cuts in welfare benefits for lone parents and council services deepened yesterday as Bill Morris, the leader of the Prime Minister's own trade union, the TWGU, called on Gordon Brown, the Chancellor, to abandon his commitment to stick to Tory spending limits for two years.

The weight of opposition is now growing so much that even some senior sources within the Government believe that it may

be forced to make some concessions. The Labour rebels opposing cuts for future claimants of lone parent benefits were digging in, and threatening to vote against the Government in the Commons later this month.

Council taxes may also have to go up by between 5 and 10 per cent in April, as a result of the tight Treasury limit being kept on the support given to councils by the Government. John Prescott, the Deputy

Prime Minister, will say tomorrow that capping will stay for another year, leaving councils a choice of raising taxes or cutting services.

He will argue that the Government's support will be above inflation, at nearly four per cent extra, and should mean that the rises are less than they would have been under the Tories. He will announce plans which will penalise two flagship Tory boroughs, Westminster and Wandsworth, with a few

other councils, to provide fairer funding for other councils across the country.

Alistair Darling, the Chief Secretary to the Treasury, yesterday added to the impression that the Government was fighting a bush fire of protests by Labour MPs. He went on a round of television studios to reinforce the Chancellor's message that there would be no backing down. Another ministerial source said: "It has become a bit of a totem for

Gordon but there is a lot of pressure on him to weaken his general stance."

The Secretary of State for Social Security, Harriet Harman, is seeing some of the rebels individually in an attempt to head off the revolt, and the whips are warning them that they will "face the consequences" if they vote against the Government.

Ministers are privately reluctant to spell out what the consequences are likely to be. They

are not likely to include removing the whip so soon in the Parliament.

And potential rebels will have been emboldened yesterday by the hardest attack so far on the Government's stand by Mr Morris, a member of the Government task force working on the "new deal" for cutting unemployment. "It's bad news for those who rely on public services, because the Chancellor has decided to stick to the Tories' spending limits and if you do that

you're into real cuts," Mr Morris said on GMTV. The council tax rises mean the bill for an average Band D house, worth up to £88,000, could go up from £689 to £737 a year in April.

Mr Prescott remains in favour of redistribution of wealth, however, and will be consulting on a plan to introduce a new top rate council tax band, above the present "H band", for those with houses with a value of £450,000 or more.

MPs scent blood and hypocrisy over minister's £12m trust

The Tories are demanding a statement in the Commons today after the disclosure that Geoffrey Robinson, the Paymaster General, has a blind trust worth £12m in an offshore tax haven. Colin Brown, Chief Political Correspondent, says the parties agree it is not illegal - and that there is a whiff of hypocrisy in the air.

Mr Robinson met her when he was the head of British Leyland's Italian subsidiary.

Mme Bourgeois died in 1994, and Mr Robinson is reported to have become her heir. Downing Street last night denied Mr Robinson had broken the ministerial codes of procedure by allowing £12m to be put into a trust. Mr Darling insisted: "The money in this trust was not in the UK. It was not taken out of the UK and put into this trust... so it isn't actually avoiding UK taxes."

Mr Robinson was accused of hypocrisy by Peter Lilley, the Tory spokesman on Treasury affairs, who is demanding a Commons statement. Mr Lilley plans to embarrass Labour's front

bench by quoting the words of the Chancellor, Gordon Brown, to the Labour Party conference in 1996 when he said: "A Labour Chancellor will not permit tax reliefs to millionaires in offshore tax havens." Mr Lilley said: "Since the election we have discovered that no fewer than two of his own ministers are millionaires with trusts in offshore tax havens. The sheer hypocrisy of New Labour is breathtaking. The fact that their arrangements have to be dragged out of them bit by bit merely compounds the offence."

Lord Simon, the Trade Minister, had to sell his stake in BP earlier this year after declaring his holdings in a blind trust.

However, some Tories believe there is some hypocrisy about the spectacle of the Opposition pursuing allegations of sleaze. The party chairman, Lord Parkinson, showed disdain for the attack on Mr Robinson on GMTV. Alan Clark, the MP for Kensington and Chelsea, said he did not believe Mr Robinson had done anything wrong. Mr Clark said on Sky TV's *Sunday Programme*: "It's perfectly legal, I don't see any problems, no."

Liberal Democrat MP Nick Harvey said: "I think if he's had advice from the relevant authorities and it's all within the law, I can't see how anyone can really find any objection to it."



Geoffrey Robinson's trust is 'perfectly legal'

British tax authorities have no jurisdiction over the £12m put into a blind trust in the tax haven of Guernsey for Mr Robinson by a Belgian woman, one of his Treasury colleagues said yesterday.

Alistair Darling, the Chief Secretary to the Treasury, insisted Mr Robinson had done nothing illegal, and was not holding the Orion trust to avoid paying British taxes. "This is money that was put into a trust by a Belgian lady living in Switzerland and over whom the UK tax authorities could have had no jurisdiction," he said on BBC television.

The *Independent* on Sunday reported that Jiska Bourgeois was a family friend who made a fortune exporting Jaguar cars.

HOW TRUSTS CAN AND CAN'T BE OF BENEFIT

Trusts are often seen as mysterious entities, which by their very existence help you to minimise vast tax liabilities. When coupled with the seemingly exotic word "offshore", they assume an even greater fascination for those of us with no assets to protect.

What are trusts?
Trusts are a way of disposing of your assets in the way that you wish. They are brought into existence when a person (the settlor) transfers assets to trustees for the benefit of third parties (the beneficiaries).

How can you avoid paying tax through a trust?
Tax rules on trusts can be fiendishly complicated depending on the nature of the trust involved.

Put simply, if you want to minimise a future inheritance tax bill, for example, they are a way of passing on assets so that the full benefits will not take effect until some time in the future.

For example, by allowing your children to have income from your assets but not the capital, if you survive for seven years

after the settlement, they will be exempt from inheritance tax.

Is any tax payable by a trust?
Yes. Income distributions from a trust are normally net of income tax at the lower (20 per cent) or basic tax band of 23 per cent, because the bill has already been paid by the trust. However, if the income paid to the beneficiaries takes them into a higher tax bracket, when added to any other income, they must pay tax at the higher 40 per cent rate on any sum over £26,100. Where trustees are allowed to pick and choose how they allocate income to potential beneficiaries or simply to reinvest the income, this is known as a discretionary trust, and tax is payable at 34 per cent.

What happens if the person setting up a trust remains a beneficiary of its income or assets?

He or she will be assessed on the income even if it is not paid out and if the income is paid to others, it is the settlor, not the recipient who is liable to tax.

Clearly, if the trust holds shares which pay little or no dividend income, the tax bill will be little or nil.

What if you sell shares held in

a trust?
Under normal rules, if shares are "realised" (sold off), capital gains tax of 23 per cent applies - except for discretionary trusts, where the rate is 34 per cent.

Is there any difference if the trust is held offshore?
Once upon a time, offshore trusts were a nifty way of avoiding capital gains tax levied in the UK. But since March 1991, if you have an interest in the income or assets of a trust, you will be liable to capital gains tax at 34 per cent, although any capital gains or losses before then may escape in some cases.

So are trusts not the best way to cut tax after all?

Without knowing exactly how a trust has been set up, and when and where, who the trustees and beneficiaries are and what income is payable to whom and when, it is hard to say whether a person has gained any tax benefits.

But experts say that offshore trusts can confer one big advantage: timing. For instance, when you receive an income you may be able to declare it in your country of residence the year after receipt, allowing you to earn interest on it for up to 18 months before paying tax. Any tax delayed is a consequence of skilled tax planning not tax evasion, which is completely different and, of course, illegal.

— Nic Cunniff



The Tories proposed changes would produce future party photocalls for William Hague closer to Tony Blair's (below) with Labour's 101 women MPs

Tories go in search of new model candidates

The Conservative Party is considering the most radical reforms for candidate selection in its 130-year history in the wake of the election disaster. Kim Sengupta looks at the ideas for change, and the struggle they will trigger between the modernisers and the traditionalists.



After the meltdown in May, and with the prospect of a long march in the political wilderness, Conservative Central Office is actively considering the kind of proposals which would turn many a blue rinse white in the shires.

The ideas are designed to re-invent the traditional image of the ideal Tory MP. They range from a central national databank for candidates to psychometric testing; proposals that 25 or even 50 per cent of candidates at initial selection interviews should be women, and that constituency associations should canvass the opinions of black and Asian members; training videos for those involved in the selection process to jettisoning orthodox selection procedure such as emphasis on family support for candidates.

After his election as leader William Hague declared "no change is not an option". Since then, senior party figures have been looking at proposals which could lead to the biggest shake up on candidate selection since the days of Disraeli.

However, the Tory hierarchy is fully aware they will face bitter opposition from traditionalists, and there will be a hard struggle to win over the constituency associations.

Some of the most radical and well received ideas have come from the Bow Group which is said to be having a post-election renaissance. The moving spirits behind the reforms, according to Central Office sources, are Roger Freeman, Archie Norman and Peter Buscombe, the party vice-chairmen with responsibilities respectively for candidates, reform, and women.

One study commissioned by Mr Freeman recommends there should be a central databank for candidates to ensure talented ones do not slip through the net. A man or woman who may not be right for one constituency, it argues, may be eminently suited for another, and this should be monitored by Central Office.

Other use of technology, the study suggests, would be a training video for party members involved in the selection process including inputs from a variety of agencies such as the Equal Opportunities Commission, external recruitment consultants, and women's groups. The study also suggests psychometric testing for candidates, a method used for recruitment by some companies, and covering an assessment of personality and ability.

The study also urges that much less emphasis should be placed on a traditional plank of the Tory selection process, how much support prospective candidates receive from their partners. The constituency associations should be encouraged to understand that politicians' partners may have

their own careers, and should not be seen merely as supportive appendages.

The party must also get away from the traditional image of a Conservative MP as a "white male with a family and 2.5 children". There should be far greater diversity; constituency associations should look at examples such as the experience of the black Tory candidate John Taylor at Cheltenham during the 1992 election as an example of how things should not be done.

One of the most contentious of the proposals is that at least 25 per cent of candidates interviewed for selection should be women. Some MPs, such as the former journalist Julie Kirkbride, who won Bromsgrove at the last election, say the figure should be 50 per cent "because women make up half the population". At present there are 13 female Con-

servative MPs, compared with Labour's 101. In the last Parliament there were more Old Etonians than Tory women.

Although many of those around Mr Hague see a need for change, vested interests are expected to put up resistance. The constituency associations, who jealously guard their autonomy, will also have to be persuaded to be part of the process of reform.

A senior Tory source said: "What happened at the election has provided a golden opportunity to carry out root and branch reform throughout the party, and the modernisers have the full support of William Hague. But we know it is not going to be easy, some of the old guard simply will not be persuaded, but others will have to be convinced that reform must take place if we are to return a viable fighting force."

Congratulations. You've just spotted a low cost personal loan.

EXAMPLE - LOANS OVER 12 MONTHS WITHOUT REPAYMENT PROTECTION				
AMOUNT OF LOAN	APR	36 MONTHLY REPAYMENTS	TOTAL PAYABLE	
£3,000	13.9%	£101.33	£3,647.88	
£4,000	12.8%	£119.44	£4,187.76	

Based on rates at 24th November 1997.

0181 680 9966 0161 831 9966 0141 248 9966

LONDON MANCHESTER GLASGOW

CALL ANYTIME 9am to 8pm Monday to Friday and 9am to 5pm Saturday.

www.directline.co.uk Please quote ref. IND20

Direct Line Financial Services Limited, 250 St. Vincent Street, Glasgow, G2 5SH.

You must be aged 23 or over. Loans from £1,000 to £15,000, subject to credit.

Written quotations on request. Calls may be recorded. Direct Line and the red phone are trademarks of Direct Line Insurance plc, used with its permission.

Labour's Ulster peace plan intact

The bi-partisan approach to the Northern Ireland peace process will not be broken off in spite of the Tory criticism of Tony Blair for inviting Gerry Adams, the Sinn Féin leader, to Downing Street.

On the eve of renewed cross-party talks in Belfast, the visit was attacked by Andrew Mackay, the Tory spokesman on Northern Ireland, who said the Tories would not have invited Mr Adams to Downing Street on 11 December if they had still

been in power. But Lord Parkinson, the Tory chairman, said on GMTV: "I don't think this does herald the end of bi-partisanship. What it means is that if the Government makes a mistake, we reserve the right to point out that we believe that it is a mistake. But we back them in their search for a permanent peace."

His remarks could limit the Tories scope for using the visit as a weapon against the Government. The Ulster Unionist

leader, David Trimble, accused Mr Blair of inviting Mr Adams after a U-turn. Mr Trimble said the Prime Minister had gone to meet Mr Adams in Belfast to avoid the embarrassment of a meeting at Number 10, but had changed his mind.

"In the last week there has been a lot of whingeing from Sinn Féin and indeed sabre-rattling, threats to go back to what they know best, and so the Government is making the announcement now in the hope of

massaging the egos of these former terrorist leaders," Mr Trimble said on GMTV.

Mr Trimble intends to protest to the Irish foreign minister David Andrews after saying his government was seeking a settlement which included powerful cross-border bodies with powers "not unlike a government". Unionists have branded the idea as unacceptable and smacking of an "embryonic all-Ireland government".

— Colin Brown

Thank you Thank you Thank you Thank you Thank you Thank you Thank you Thank you

We thank you sincerely for your most generous donations to St Joseph's. Your gifts have helped us to bring love, comfort and peace to over 900 terminally ill people and their families over the past year. We look forward to your continued friendship and support in the future.

ST. JOSEPH'S HOSPICE

MARK STREET, RACKHEW, LONDON E8 4SA. (Charity Ref. No. 231325)

5/HEALTH NEWS

Breast screening cuts cancer deaths by half

A 10-year study of breast screening in women under 50 has found it almost halved the death rate from breast cancer. However, British experts tell *Jeremy Laurence*, Health Editor, that although breast screening is effective in younger women it should not be provided on the NHS.

Regular breast screening for early signs of cancer in women aged 39-49 does save lives, researchers have concluded. A study of 11,000 women who were screened every 18 months and 14,000 women who were not found a marked difference in deaths from breast cancer after 10 years.

About one in 28 women in both groups developed cancer but in the screened group 18 died compared with 40 deaths in the unscreened group. The difference, of 45 per cent, is probably attributable to earlier treatment of the screened group.

The study, conducted in Sweden and published in *Cancer*, will add to the controversy over breast screening in younger women which has been dismissed as ineffective. Experts have argued that the greater density of younger women's breasts makes it harder to detect the tiny calcified lumps that can signal the onset of cancer.

An editorial in the journal says this wrongly implies that there is a sudden change in women's breasts at age 50. "Many younger women have fatty breasts and many older women have denser breasts," it says. Improvements in mammographic techniques have made detection of cancer in women with denser breasts possible but no long-term trials in younger women have been carried out.

Based on the study's findings, the editorial, by Dr Stephen Feig of the Jefferson Medical College, Philadelphia, US, says the death rate might have been reduced by 75 per cent if screening of women aged 40-49 was carried out annually rather than every 18 months.

Dr Robin Wilson, clinical director of the breast service at Nottingham City Hospital, said the findings were "pretty impressive" but said the trial was too small to provide a definitive answer and there were questions about the cost and the risks to women of unnecessary investigations.

The NHS breast screening programme for women aged 50 to 64 is estimated to reduce deaths by 1 per cent at a cost of £35m a year. In women under 50, in whom breast cancer is less common, it has been estimated it would reduce deaths by 0.1 per cent making it 10 times more expensive. The Royal College of Radiologists says women under 50 could benefit from screening but it should not be a freely funded service.

Dr Wilson said: "I don't think there is any doubt that screening done properly does reduce mortality in that age group [39-49]. But is it something the NHS should pay for? The argument is you could save more lives by spending the money in other ways."

A trial of screening involving 195,000 women aged 40 to 41 in 30 centres around the country began in 1991 but it will be 15 years before the results are known because of the need for long-term follow-up of those who develop cancer. Dr Wilson said it was imperative women under 50 offered screening were made aware of the risks. One in 10 women would be recalled for further tests subjecting them to anxiety and the possibility of a biopsy. Some would be falsely reassured because screening cannot detect all cancers. They must be warned to seek medical help should they notice a lump.



A study showing breast screening in women aged 39-49 saves lives will add to the debate over screening younger women

Register now
'or lose your
NHS dentist'

Patients are being urged to re-register with their dentists before Christmas to avoid being among the four million people who are expected to be chopped from dentists' lists for NHS treatment under changes to the rules by the Government.

From the New Year, any patients who have not seen their dentist since September 1996 will be automatically struck off their dentist's register. Alan Milburn, the health minister, confirmed in a Commons written answer: "The most recent estimate is that registration numbers may gradually fall by about four million as a result of this change."

The numbers have alarmed the British Dental Association, which today will be launching a new initiative to persuade patients to see their dentists before they drop off their lists. They are warning that if patients are de-registered, they will find it difficult to get back on lists because many dentists who still do NHS work are over-stretched.

"The Tories reduced the cut-off point from 24 months to 15 to save money by stopping capitation payments to dentists for patients who never turned up. The Labour government is about to face the flak for a Tory cut."

However, the scale of the numbers being removed from NHS dentists' lists was seen by Simon Hughes, the Liberal Democrat, as evidence that NHS dentistry was "in danger of disappearing".

He said: "Unless action is taken to recruit more dentists back into the NHS, this government will be responsible for NHS dentistry being a minority service."

Mr Milburn privately admits that a Tory scheme to reverse the decline in NHS dentistry has failed, and is looking at ways of improving access, including pumping £9m into an initiative this year.

Dentists' leaders believe their fees should be substantially increased to encourage more dentists back into routine NHS work and free dental check-ups, even if it means reducing the scope of the work available on the NHS.

— Colin Brown
Chief Political Correspondent

Fears persist over survival of full and free treatment on NHS

Labour's election victory has failed to convince people that the National Health Service is safe. Despite Tony Blair's pledge to restore it after 17 years of Tory rule, four out of five people remain pessimistic about the NHS's future. Most think that in 10 years time the treatments available will either be curtailed or only available to those who pay.

The gloomy prognosis is revealed in a survey of 2,000 adults published by the So-

cial Market Foundation. More than three-quarters of those questioned feel the NHS has too little money and that, despite this, the demands on it are increasing.

There is a division of view about how it will cope with these pressures.

Three out of four think treatments will be rationed and two thirds believe the NHS will provide fewer treatments in 10 years than it does today.

On the other hand, more than half be-

lieve key services such as ambulances, outpatient visits and intensive care will have to be paid for.

Opposition to charging remains widespread, however, with more than half saying they would prefer tax increases to fund the service.

The survey was conducted in late July after the Government had announced the extra £1.2bn for the NHS next year but before it had added the additional £300m to

get hospitals through the winter this year. The findings show how much Frank Dobson, the Secretary of State for Health, and his ministerial colleagues still have to do to rebuild public confidence in the NHS.

Professor Nick Bosanquet and Stephen Pollard say in "Ready for Treatment", a report on the survey, that the findings reveal an expectations gap between what the public would like the NHS to provide

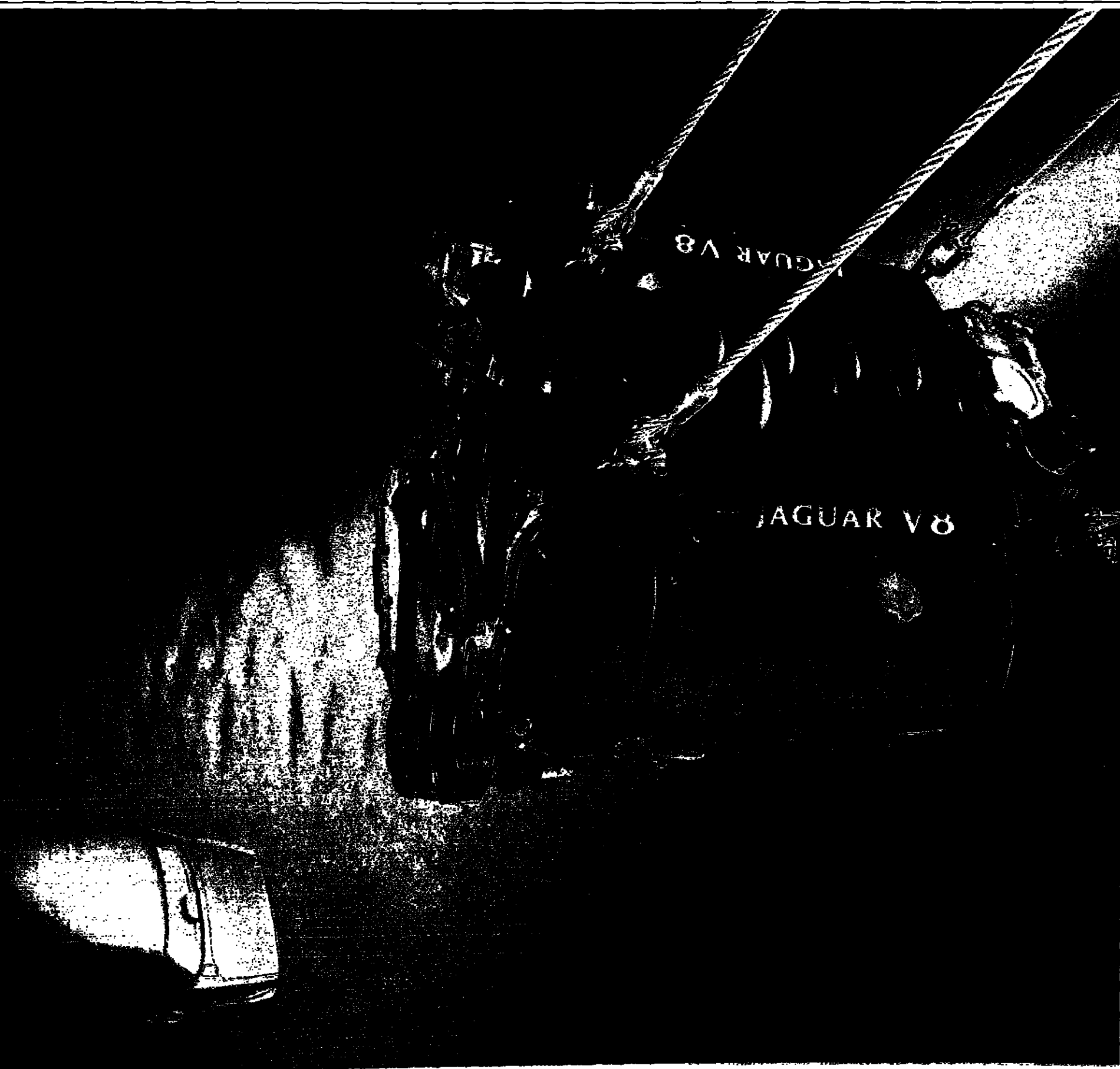
and what they believe it will be capable of delivering.

They add their voices to the growing number calling for the imposition of patient charges.

They say these should be set at a level similar to those already paid for other services: "If a prescription costs £5.75, paying £5 for a visit to the GP is hardly extortionate."

— Jeremy Laurence

1,300
REVOLUTIONARY
CHANGES.
(1,299
ARE
QUITE
SUBTLE.)



...the look at the outside of
...the new XJ Series and, although it
...isn't quite
...a new 'jewel' effect.
...there.

And the wheels are a little more racy.
However, under the bonnet there's
a change that's rather easier to spot.
A revolutionary V8 engine.
One of a brand new family—a 3.2 litre,

a 4.0 litre and a supercharged 4.0 litre.
All aluminium and hydraulically-
mounted, they're designed to be the
lightest engines in their class and are
more than able to deliver (through a

new 5-speed automatic transmission) a
truly energetic performance.
While retaining all the refinement
and smoulder of a Jaguar.
Not only swifter than its 6-cylinder

predecessors but more economical too.
In all, 1,300 technical changes have
been made to the new Jaguar.
Outside, subtly. Inside, incredibly.
Don't dream it. Drive it.

JAGUAR
THE NEW V8 XJ SERIES.

Army officer emerges victorious from class warfare

Major Eric Joyce, who was suspended after publishing a pamphlet arguing that the Army was riddled with snobbery and prejudice, is back on duty following an intervention by the Lord Chancellor. Kim Sengupta charts the shift in his treatment at the hands of officialdom.

The story has come full circle. At one point Major Eric Joyce's public criticism of the armed services' class-ridden culture threatened to lead to his court martial. But now Lord Irvine of Lairg, the Lord Chancellor, has obliged senior officers to rethink: Major Joyce is not only back on duty, but his demands for reform will be debated among fellow officers. The decision not to court martial Major Joyce is seen as

a U-turn by the army hierarchy. A number of senior officers are said to feel there were enough grounds for charging him for breaking military discipline, and flouting rules on speaking to the media. Keith Simpson, a Tory MP, claimed there were links between Major Joyce and the Labour Party going back to before the general election, and that Major Joyce had advised John Reid, deputy to George

Robertson, the Secretary of State for Defence, in Opposition. This was denied last night by Dr Reid, who said he met Major Joyce just twice in his role as a member of the all-party defence study group. He had also met "thousands of other servicemen and women". Lord Irvine told Mr Robertson in a letter that if Major Joyce was to complain to the European Human Rights Court, he would be likely to succeed. The Lord Chancellor also pointed out that one of the Government's overriding foreign policy objectives was to promote human rights throughout the world, and "these declarations do not live with the Army's conduct to Major Joyce".

He expressed concern that any ruling from the court would come in the run up to the next election, which "would not be good timing". Lord Irvine concluded that any disciplinary action against Major Joyce would be "disproportionate", and "the Army should lift Major Joyce's suspension and state he faces no disciplinary action whatsoever". On 18 November, Major Joyce was told he does not face any charges. Soon afterwards he quietly resumed his duties at the headquarters of the Adjutant General in Upavon, Wiltshire. However, he certainly does not intend to keep quiet about

his views. The critical pamphlet he wrote for the Fabian Society attacking the forces' antiquated class system will be published as a more detailed journal for discussion. The publication, which will be called *Armed Services Forum*, will include defence management issues written by civilian experts and army officers. An MoD spokesman said: "Major Joyce is in control of this journal and there is no reason

why it should create any problems. There is a long tradition of writing in the armed services."

George Robertson has said the army should recruit more officers from state schools to avoid the accusation of preserving a privileged elite. He is concerned that while four out of five Royal Navy and RAF officers studied at state schools, only half of all army officer recruits did so.

Torture ruling to be challenged

Human rights groups are taking the *Director of Public Prosecutions* to court over the decision not to prosecute two businessmen supposedly implicated in the torture trade. The case could have wider implications for organisations bringing similar public interest cases, reports Michael Streeter, Legal Affairs Correspondent.

Amnesty International and Redress, a body which works for torture victims, have been given leave to seek judicial review of the DPP's decision not to take criminal proceedings against two salesmen working for the British defence industry. The pair were allegedly shown in a Channel 4 documentary *The British Torture Trade* demonstrating how to sell electro-shock batons abroad against government policy.

The organisations are questioning how the decision not to prosecute the two men - when another person featured in the programme was fined £5,000 in a Scottish court - could be in the "public interest" as the DPP claims.

The award-winning documentary, made by Martyn Gregory, exposed the continuing trade in potential torture weapons involving British firms. Earlier this year Amnesty International claimed that batons and other, similar, devices have been used for torture in up to 50 countries since 1990.

It is the first time that organisations representing the interests of torture victims abroad have been given the right to take legal action on their

behalf in a British court. The case is seen as important at a time when the Government has shown its commitment to an "ethical" foreign policy.

Another key element of the case is that both organisations are seeking what is called protective costs. This means an order from the judge that whoever wins the trial, each side will pay only their own expenses.

If successful, this could have enormous implications for similar actions by concerned bodies - who have no selfish interest in the outcome - to bring cases against authorities in the future.

At present, some organisations are deterred from bringing public interest cases, even if they feel they are likely to succeed, because of the risk of having to pay a massive bill if they lose against a public body.

At the judicial review hearing, expected early next year, Amnesty and Redress will also seek to establish for the first time that such disinterested groups can win a limit on the costs they have to bear.

Karen Ashton, of the Public Law Project, which is helping to bring the cases, said they saw it as an important test case on both the issue of public interest and the issue of costs.

"The questions are whether the judges have the power to make an order on protective costs, and whether they will in this case," she said. "It has implications on whether people can bring this kind of case in the future."

"Sometimes people can be deterred even if they feel they have a good case, because of the costs."

A spokeswoman for the DPP said very careful consideration had been given to the facts of the case before the decision not to prosecute.



Guard duty: Martin Healer and Anna Willoughby, two of the campaigners, at the camp set up to protect the Canbury Gardens poplars

Photograph: Kalpesh Lathiga

Eco-warriors rally to the sound of suburban protest

They come from different walks of life, but yesterday they met in common purpose to protect a row of poplar trees in a public park threatened with being cut down to make way for a housing development.

The well-heeled residents of Kingston upon Thames, south-west London, have been joined by seasoned eco-warriors of the Newbury bypass and Twyford Down disputes in the battle to save the trees.

The Liberal Democrat-run

council is due to go to the High Court in the near future to get an enforcement order, and the chainsaws are expected to be put into action afterwards. Yesterday's meeting was to plan contingencies for when that happened.

Peter Hitcham, a member of the residents' pressure group, Friends of Canbury Gardens, said: "We are very grateful for all the support we are getting, but we know we are up against the big battalions. We have a wide as-

sortment of people here, but we all have a common goal."

The poplars were planted in the Thirties to shield Canbury Gardens from a power station which has since been demolished.

Developers Fairclough

Homes are building an estate of luxury flats and houses on the derelict land, and part of the agreement with the council is for the trees to be chopped down so that residents can have river views.

— Kim Sengupta

With our combined
building and contents you're

welcome to a discount.

Home Insurance DIRECT CALL FREE

0800 670 670

↑ **ABBEY NATIONAL**

Because life's complicated enough.

Lines are open Monday to Friday 8.30 to 9pm and Saturday 9am to 6pm. To assist us in improving our service, we may record or monitor telephone calls. Abbey National and the Umbrella Couple symbol are trademarks of Abbey National plc, Registered Office, Abbey House, 215-229 Baker Street, London NW1 6XL. Registered in England & Wales. Registered Number 2294747.

Rail privatisation has been a flop, say passengers

Rail privatisation is failing passengers, with 55 per cent saying the network is worse than it was a year ago, according to a survey out yesterday. Fewer than 6 per cent of the 2,000 passengers questioned said it had become easier to find a seat, according to the survey from the Railway Development Society. The survey found:

- Passengers were happiest with the Great Western and the Wales and West train companies, and least happy with Connex South Central, Regional Railways North East and the Great North Eastern Railway.
- Anglia had the highest increased satisfaction level, while satisfaction levels deteriorated the most for Regional Railways North East.
- GNER passengers had the most trouble finding a seat,

while Connex South Central had the dirtiest and most uncomfortable trains.

- The most helpful staff were on Anglia trains, and the least helpful were on West Anglia Great Northern.
- 24 per cent of Virgin Trains passengers found their service unreliable, but 25 per cent found Virgin staff were more helpful than a year ago.
- 55 per cent of passengers said the railways were doing a poorer job of providing an easy-to-use network than they were a year ago.
- 50 per cent did not feel they were told about the full choice of trains and tickets.
- 31 per cent said rail travel was less flexible and convenient than a year ago.
- 30 per cent were less satisfied with rail travel than a year ago.

DAILY POEM

The Embankment (The Fantasia of a Fallen Gentleman on a Cold, Bitter Night)

By T E Hulme

*Once, in finesse of fiddles found I ecstasy
In a flash of gold heels on the hard pavement.
Now see I*

*That warmth's the very stuff of poetry.
Oh, God, make small
The old star-eaten blanket of the sky.
That I may fold it round me and in comfort lie.*

This week's poems come from the seventh edition of *Poems on the Underground*, edited by Gerard Benson, Judith Chernaik and Cicely Herbert (Cassell, £12.99). Emulated around the world since its launch in 1986, *Poems on the Underground* now has counterparts on transport systems in cities from Moscow to Adelaide, as well as on the Internet.

Crew rescued as cargo ship founders in Channel

Thirty-two sailors were rescued last night after a listing cargo ship was abandoned in the English Channel.

The 20,000-ton Cypriot-registered *Rosa M* got into trouble off the coast at Barfleur, 15 miles north-east of Cherbourg, when its freight shifted, causing it to lurch dangerously.

The crew took to life-rafts and were eventually winched to safety by British and French rescue helicopters. A passing merchant vessel, the *Melvi*, also gave assistance.

The ship was said to be listing heavily late last night, but had not yet capsized. Port authority tugs were hoping to tow it into port in the next few hours.

Clubber in 'ecstasy death'

A post-mortem examination is to be carried out today on a 28-year-old man who collapsed and died after apparently taking ecstasy.

The man, from Cambridge, had been out with friends at the White House Club in Newmarket, Suffolk, when he collapsed early yesterday. A police spokesman said: "At this stage we do not know what caused the death. We must, however, work on the assumption that drugs may have played a part."

Staff and clubgoers were being questioned in an effort to find out what happened. The coroner has been informed and an inquest will be held.

Patten backs princess's plea

The former Hong Kong governor Chris Patten yesterday backed the Princess Royal's call for the Royal Yacht *Britannia* to be scuttled - if it will save it from a "vulgar or naïf" future.

Mr Patten told Sky News: "I think it would be a pity if, like previous royal yachts, it was broken up and sunk." But he added: "I think it would be disastrous - I would prefer to see it sunk - than used for anything which was vulgar or naïf, so I hope a role can be found for her."

The Princess said last week that she would rather see it scuttled than preserved as a tourist attraction which could not be maintained.

£9.4m for lottery winner

One ticketholder scooped just over £9.4m in Saturday's National Lottery draw. A further 19 matched five numbers plus the bonus ball, winning £152,305 each. The winning numbers were: 2, 21, 47, 8, 46, and 29, with bonus ball: 28.



Awarded for excellence

We put customers first - it's official

National Savings has just been awarded a Charter Mark for excellent customer service. This means we give outstanding service, we put you first and we're always looking for ways to improve. But don't just take our word for it - our Charter Mark was awarded by an independent panel of judges.

When it comes to savings and investments, isn't it reassuring to know there's someone you can rely on?

If you would like to know more about our unique range of Treasury-backed savings and investments, call our information helpline team on 0645 645000 - they will be happy to help you.

Lines are open Monday to Friday, 8.30am to 5.00pm. All calls are charged at local rates.

NATIONAL SAVINGS

Japan fears a bumpy ride on road to climate deal

Japan is desperate to make a success of the Kyoto world climate conference. It will be torn between its desire to present a green face and please its American allies.

liance of Small Island States, fearful of rising seas and sinking coastlines, seeks the most radical adjustment of all. In the middle is Japan.

Apart from global warming, Japan has good reasons to want COP3 to be a big success. As an economic superpower, Japan is impatient for political responsibilities to match its wealth. Japanese troops are participating in overseas peace-keeping operations; Tokyo is pressing for a seat on the UN Security Council. After decades living down the disgrace of the Second World War, Japan aspires to be "a normal country", says the opposition leader Ichiro Ozawa, the kind that can

is regarded as a "base reduction rate" in calculating "country by country reductions". It now turns out that Japan's actual quota reduction might be half a per cent. To be fair to Japan, the political system leaves the bureaucrats with little freedom of movement. Relations between politicians and big business are closer than in most industrialised democracies.

As an island nation with few natural resources of its own, perched on the edge of an unstable continent, the Japanese feel they are uniquely vulnerable over energy and the security of supplies. Japan is a wasteful country, with a poor record on recycling. The national mania for novelty means functional household appliances are routinely thrown out in favour of new ones.

However, as a producer of greenhouse gases, Japan's performance compares favourably with that of the United Kingdom: in 1994, per capita emissions of CO₂ were 2.43 tonnes compared with 2.58 in Britain.

The significant factor may be Japan's relationship with the United States, its military defender, biggest commercial market and closest ally. Japan has more to lose by upsetting Washington than by upsetting the Europeans. But the conference will only be a success if all sides are allowed some formula for claiming victory. That will be a struggle for Mr Oki.



Kyoto's city mayor, Yorikane Masumoto, yesterday leading a bicycle rally to appeal for environmental responsibility

Photograph: AP

BY RICHARD
LLOYD PARRY

show decisive leadership at a big international conference.

But Tokyo's record on decision-making is poor. When the international community asked it to help in the Gulf War, Tokyo took weeks of divisive debate to agree on its contribution, which turned out to consist only of a large cheque. Japanese decision-making works by consensus, achieved over long negotiations. With only 10 days until the end of COP3, and few signs of compromise by the participants, time is running out.

From the point of view of the environmentalists and more radical European participants, the omens are not good. Japan has moved closer to the American position, with a set of proposals that have become ever feebler as the conference approaches. Originally, Japan proposed a 5 per cent reduction in 1990 emission levels. Now that

Kyoto — Swashbuckling is not a word associated with Japanese ministers, but if any member of the present cabinet might earn the accolade, it would be Hiroshi Oki. In 1987, he was sent to the Philippines where a Japanese expatriate businessman had been taken hostage. In the past, such crimes have ended in bloodshed or humiliating ransoms. But Mr Oki avoided both and after an intense round of discreet diplomacy he returned to Japan a hero.

Ten years on, as Japan's environment minister, he begins the job today of chairing the UN environment conference on climate change. It is a task that makes negotiating with Filipino kidnappers look easy by comparison. The official name of this month's gathering is the Third Conference of the Parties to the United Nations Framework Convention on Climate Change — and its name is one of the least complicated things about it.

Representatives of 160 UN member states over 10 days will try to reach an agreement on reducing greenhouse gases, principally carbon dioxide, which cause global warming.

And almost every participant in the conference is giving Mr Oki a headache. The EU wants a 15 per cent reduction from the 1990 level by 2015; Australia, a huge exporter of coal, wants no reduction. The United States, unwilling to compromise over "American lifestyles", tends to side with Australia, while the Al-

Clinton shackled by barons of the energy industry

The United States can singlehandedly make or break the Kyoto conference on global warming, Mary Dejevsky in Washington warns that domestic constraints severely limit President Clinton's room for negotiation.

The official US position calls for stabilisation of greenhouse gas emissions world-wide at the 1990 level by the year 2012. This was the formula announced at a White House conference by Mr Clinton two months ago, and it has not been altered since, despite expressions of disappointment, especially from European leaders. The US would also support an international system for trading permits for greenhouse emissions.

Left to himself, Mr Clinton has indicated he would go much further. At the same White House conference, he accepted the case for global warming and said the US, as the biggest emitter of greenhouse gases — 25 per cent of global emissions for 4 per cent of the world population — should set an example. His Vice-President, Al Gore, paraded his green credentials to advantage during the 1992 presidential election campaign, and his Environment Secretary, Bruce Babbitt, has been forthright in support of scientific groups that see global warming as the scourge of the future.

Yet neither Mr Gore nor Mr Babbitt will be going to Kyoto. Two weeks ago the man seen as the administration's truest believer in global warming, the Under-Secretary of State for Global Affairs, Tim Wirth, resigned. He is to oversee the \$1bn (£625m) gift from Ted Turner to the UN for environmental programmes. The word in Washington is that he felt US policy was hamstringing by the demands of America's big energy producers, and that he could do no more.

Now the US team will now be led by Stuart Eizenstat, Under-Secretary of State, regarded as more even-handed on the greenhouse gas issue than Mr Wirth — in other words, less like-

ly to sign an agreement US industry will not like. Mr Gore — who was said last week still to be considering going to Kyoto — would travel only if the conference resulted in greenhouse gas targets he could accept and a diplomatic victory for the US. With his sights on the next presidential campaign, to be associated with anything less would be a liability.

In signing the US up to emissions targets at the level the Europeans are aiming for, the problems for Mr Clinton and Mr Gore are two: the might of the US energy sector — which is particularly defensive because of Mr Clinton's plans for deregulation — and an American public that fears a fall in living standards if the US is forced to become less profligate in its use of energy.

The energy industry has run a television advertising campaign designed to confirm Americans' worst fears about Kyoto. For the US to accept cuts in its own emissions, the commercials argue, could mean a 50 cent increase in the price of petrol. The punchline plays on a simplistic sense of justice: "It's not global, and it won't work." The inference is that less developed countries should make the same efforts as the developed countries — or else any treaty is meaningless.

Mr Clinton and his administration know that acceptance of this argument would be the quickest way to ensuring that there is no treaty at all. It would fuel Third World suspicions that the industrialised world just wants to retard their development and they would refuse to sign.

But the state of US public opinion may be more complex than the energy sector would like to believe. One poll for this week's issue of *Newsweek* magazine finds 63 per cent of Americans believe a reduction in greenhouse gas emissions need not damage the US economy. However, only a bare majority (51 per cent) said they would pay even 12c more for petrol. At least, the *Newsweek* poll suggests, a majority of Americans appreciate the advisability of appearing green in public. Whether they act on this is another matter.

When you try something new, it's great to know there's no risk.

When you were young, you had to learn even the simplest things.

Things you now take for granted.

So you probably never thought you'd have to go through the most basic education process again.

Learning to see.

At a certain age, say around 40-50, your eyesight begins to change.

Switching focus between distant and close-up objects becomes more difficult.

It's at this point that many people have to start wearing bifocal lenses, with that tell-tale dividing line on their lenses.

Well, there is an alternative — the Specsavers varifocal lens.

Varifocals have revolutionised dual-prescription spectacles.

But they can sometimes take a bit of getting used to.

A little practice.

So, at Specsavers Opticians, because we're so confident that you'll take to them, we've developed a varifocal lens trial.

Our varifocal spectacles start from just £84.95 including the lenses. If you buy a pair from us and you find you can't get on with them, we'll replace the lenses with a pair of standard bifocals, or ensure you have two pairs of spectacles to your different prescriptions, and refund you any price difference.

No quibble, no fuss, no risk.

So, at Specsavers, trying the benefits of varifocals is as easy as riding a bike — with stabilisers, of course.

Call FREE now to speak to your nearest Specsavers Opticians

FREEPHONE

0800 0680 241

Lines open 9.00am - 5.00pm Monday to Saturday

Varifocals from
£84.95*
including lenses.



Now you can believe your eyes

Swiss stop saying sorry for Nazi gold

The last chapter of the Holocaust should not descend into wrangling over money, says Thomas Borer, head of the Swiss delegation to this week's Nazi gold conference in London. He tells *Louise* jury the world should recognise what Switzerland has done to make amends.

Thomas Borer believes Switzerland deserves credit. Though slow to recognise the heat of international criticism of its war-time role as bankers to the Nazis, the Swiss have, he insists, set the pace since then in investigation and compensation.

Mr Borer hopes the 41-nation conference opening tomorrow will acknowledge their efforts. "We're always in a no-win situation. If we give out a cheque, it's too little, too late. If we publish the names of dormant account holders, people ask 'Why now?' We have to be cool. But I hope we will get a fair assessment."

The Nazis poured about £200m of gold into Switzerland during the Second World War. The Allies warned Bern early on that this could not have been obtained legally and must be plundered, but Switzerland thought, and continues to think, that it had to trade with the Nazis as well as the Allies because it was a neutral country.

The Swiss were shocked last year when newly-released details of this wartime trading triggered an international outcry about the morality of this neutral stance. Stung into action, Flavio Cotti, the Swiss

Foreign Minister, apologised and came up with the money. Although Switzerland can afford to be generous (and did profit from the war), what it has done since the "Nazi gold" storm broke has been considerable. Two funds have been set up. The Swiss Fund for Needy Victims of the Holocaust was founded with donations from Switzerland's main banks, including the Swiss National Bank, and stands at 270 million Swiss francs (£117m). The first payments went to Holocaust survivors in Latvia this month. The second, the seven billion Swiss franc (£3bn) Swiss Foundation for Solidarity, will fund annual awards to all victims of poverty and catastrophe.

In addition, Switzerland has suspended its notorious bank secrecy laws to help Holocaust survivors and their families reclaim deposits which were left in Swiss banks. Until now, many were unable to make claims because the necessary documentation was destroyed in the concentration camps or lost.

"We have tried to do the right thing," Mr Borer says. But he is exasperated and somewhat fearful that the London conference will continue to make Switzerland a scapegoat while other countries escape international opprobrium.

Gold and other Nazi assets were channelled through several countries, including Portugal, Spain, Sweden and several Latin American states. There is surprise and some disappointment in Switzerland that the Swiss alone are the targets of criticism.

A report on the activities of these other countries by Stuart Eizenstat, head of the American delegation, was due last month but has not been completed in time for the conference.

Mr Borer is unwilling to make public demands on other nations but says: "Madeleine Albright [the US Secretary of State] has clearly said that we have set the pace and we are, in a way, an example."

Some Jewish organisations still believe the Swiss could do more. Mr Borer says the World Jewish Congress has asked for as much as \$3bn. They will not get it.

"If we go on talking about money, the last chapter of the Holocaust is going to be about money," he says. That will do nothing to aid understanding of what happened in the war or promote links with the Jewish community. But in a gesture of good faith, he thinks Swiss banks may settle a group legal action by American Holocaust survivors against them out of court.

America is where the public image of Switzerland needs most attention. Several states, led by California, have suspended investment dealings with American subsidiaries of Swiss banks in the wake of the Nazi gold affair. Next week, Mr Borer will go to New York to try to persuade state officials to drop their boycott.

"I came to office a year ago. We made a lot of promises and we have lived up to them. If you ask if we're fast enough, nobody is ever fast enough, but we are satisfied with the progress we've made."

When 240 delegates and more journalists arrive at Lancaster House for the conference tomorrow, he will repeat this message. Yet he admits he is suspicious of the value of such a gathering. "We have to ask ourselves, What are these conferences for?"



Thomas Borer: 'We made a lot of promises and we have lived up to them'

Photograph: Kalpesh Lathiga

Four lost in sea tragedy

Four people were feared dead when a Danish fishing boat and a Norwegian tanker collided in fog in the Oresund strait between Denmark and Sweden.

Coastguards and police said 20 people had been brought ashore from the accident, south of Hven island in the strait, and divers were sent down. A spokesman for Danish coastguards said the Danish vessel, the *Peder Wessel*, sank shortly after the collision with the Norwegian gas tanker *Clipper Skogen*, which appeared to be undamaged.

— Reuters, Copenhagen

Playing a part for peace

For the first time since the outbreak of the Bosnian war, a Sarajevo theatre ensemble visited Serbia-led Yugoslavia with a performance that received standing ovations.

The Obala troupe, a mix of Bosnia's ethnic groups — Muslim, Serb and Croat — played *Strindberg's Miss Julie* to a packed audience in the Serbian capital. "The atmosphere was rife with all the emotion throughout the play," said a Belgrade reporter, Maja Milic. The actor-director Sverozar Cvetkovic, from the host theatre, Aelje 212, said it was a "unique catharsis the actors and the audience went through".

— AP, Belgrade

Prodi tested in local polls

Italians voted in local elections in which the centre-left coalition of the Prime Minister, Romano Prodi, was expected to consolidate gains made in first-round ballots two weeks ago.

They are another test of confidence in Mr Prodi's budgetary policies, designed to secure Italy a place in the European single currency. Votes were being cast for the mayors of 43 communal councils, with the key fight in Genoa, which Mr Prodi's Olive Tree coalition failed to take first time round.

— Reuters, Rome

Kohl seeks aid for Moscow

The German Chancellor, Helmut Kohl, said he and President Boris Yeltsin had discussed prospects for Russia getting new financial assistance and that he would raise the issue with global leaders.

"I will consult ... other countries," Mr Kohl said after their talks outside Moscow. Russian officials, worried by big withdrawals from its financial markets, flew to Washington last week for talks with the IMF but details have not been made public.

— Reuters, Moscow

Hungarians to see red

The Hungarian government has approved draft legislation to deal with growing prostitution by setting up red-light districts throughout the country.

The bill is designed to protect the public and attempt to separate prostitutes from organised crime, as it would impose heavy fines on those exploiting sex workers.

— AP, Hungary

Assisi goes back on show

Part of the Basilica of St Francis in Assisi was opened to the public yesterday for the first time since earthquakes destroyed the priceless medieval frescoes on its vaulted ceilings two months ago.

Worshippers and tourists were allowed into the beautiful lower basilica where the body of St Francis is housed. "This is a sign of hope and of joy," said Fr Nicola Giandomenico, spokesman for the Franciscan friars who live in the church complex.

"Hope, for all the careful work that's being done to restore the building in its entirety: joy, for the fact our Franciscan community has been able to resume a normal life, finding an important space for spirituality."

The lower part of the church, which is covered in frescoes that include works by the 13th-century master Giotto, was untouched by twin earthquakes on 26 September.

But the tremors, which wrought havoc across much of central Italy, brought down a ceiling in the upper church, killing four people and reducing paintings by Giotto's near contemporary Cimabue to dust. Thousands of smaller tremors have hit the region since then and experts have warned that the cracks in the upper basilica could widen. The friars have said they hope to reopen the whole building in the year 2000.

— Reuters, Assisi

From dissident guru to plaster saint: sleaze scandal topples Czech leader

A scandal over political donations ended the career yesterday of Vaclav Klaus, one of the longest-serving dissident intellectuals in Central Europe. Imre Karacs charts the rise and fall of the Czech Prime Minister and monetarist guru.

In another time but in the same place, the story of the rise and fall of Vaclav Klaus might have inspired even the playwright Vaclav Havel. It is a parable of the corrosive influence of power, of over-reaching ambition and, finally, monumental failure.

Until yesterday, the two Vaclavs had been Eastern Europe's most successful double act. Mr Havel, spiritual leader of the "Velvet Revolution" still resides in Prague's Hradcany's palace as President. But Mr Klaus, who penned the revolutionaries' demands and delivered them to the Communist Party almost exactly eight years ago, is gone.

In 1989, hundreds of thousands of protesters rattled keys and roared in the streets as Mr Klaus was presenting his eviction notice. Late Saturday night, when his party was discussing Mr Klaus's future, his army of support had dwindled to about 500, and they did their idol no good by pouring a Coca Cola over the head of one of his rivals.

Mr Klaus was forced to emerge from the smoke-filled room where his crucifixion was taking place to quell his fans. "Thank you for your kind words. I appreciate it but it is starting to become counter-productive, with the shouting," he told them.

Shortly after midnight came the humiliating press conference, broadcast live



Vaclav Klaus: Economist seen as economical with the truth

on television. "I do not think it would be productive for this government to go on, and naturally it is out of the question for me to seek any kind of important position in the government to come," he announced.

The outgoing prime minister salvaged his position as head of the Civic Democratic Party, his own creation. But even that is in jeopardy, as a hurriedly convened party congress two weeks from now is unlikely to rubber-stamp that role.

Ostensibly, the former economics professor is quitting because he is seen to have been economical with the truth. Mr Klaus is caught up in the middle of a scandal over donations.

The affair goes back to November 1995, when a cheque for 7.5 million crowns (£130,000) was deposited in his party's coffers.

The mysterious donation was originally attributed to a Hungarian who, it turned out, had been dead for 12 years, and to a man from Mauritius who had never heard of Mr Klaus's party.

Only recently was the true source revealed. The benefactor turns out to have been Milan Srejber, a Czech tennis player turned businessman and proud owner of the country's third-largest steelworks, which was bought from Mr Klaus's government at a very advantageous price. Now there's a coincidence.

Mr Klaus claims to have known nothing of the affair. But his party deputy, Josef Zelenec, resigned in protest at the end of October as foreign minister, and claimed last week that Mr Klaus had known about the donation earlier than he let on.

There is, of course, probably not a single party in Eastern Europe untainted by sleaze. The new masters of the emerging democracies have in most places turned out to have as sticky fingers as their predecessors. Nor is Mr Klaus the only man standing accused in the Czech scandal. But the 56-year old monetarist professor who once lectured Margaret Thatcher on Thatcherism was expected to set a better example.

His worst failing, and true cause of his demise, has more to do with economics than morality. Mr Klaus's shock therapy brought spectacular success in the early years, but recently ran into trouble. A currency crisis earlier this year exposed weaknesses, persuading foreign fund managers that places like Warsaw and Budapest, where leaders had shunned Mr Klaus's monetarist dogma, were safer investment bets.

Spanish banking supremo on trial

The former banking supremo Mario Conde, once the glamorous darling of new Spain, goes on trial today charged with fraud and embezzlement on a mind-boggling scale. He could be sent down for more than 35 years.

Sacked in 1993 as boss of one of country's oldest and grandest banks, Mr Conde has consistently denied responsibility for Banesto's "black hole" of £3bn. Now widely regarded as a brilliant but unscrupulous manipulator, Mr Conde claims that his political opponents cast him as the "black sheep" of Spanish banking.

The scandal at the end of Spain's boom years unleashed a spectacular financial crisis, and the huge operation which had to be mounted in order to rescue Banesto convulsed Spain's banking system. Mr Conde, 49, and nine senior associates, are accused of enriching themselves by defrauding Banesto's shareholders of about £40m throughout his six years as chairman.

During that time, Mr Conde, the son of small-town customs inspector, accumulated a personal fortune put at some £35m, some of it invested in a number of houses and vast country estates, the rest, the prosecution says, squirreled away in a web of Swiss money-laundering operations.

Mr Conde emerged this week from years of silence to launch a charm offensive. "The intervention of Banesto [by the Bank of Spain] was strictly political," he told every newspaper and television station in Spain. "The Socialist government of Felipe Gonzalez used all the powers of the state to make me the baddie."

The judges will investigate seven irregular operations which occurred while Mr Conde was at Banesto. In these, he allegedly took money from the till and acquired a number of trading outfits which he subjected to what the prosecution calls "financial engineering and creative accounting ... that constituted a smokescreen of trickery."

— Elizabeth Nash, Madrid

For savings on hundreds of other destinations and to open an account call us now! Compare with B.T.'s standard weekday rates. Prices quoted are correct as of 01.12.97 & are available Mon-Fri, quoted in pence per minute. VAT refunds available to businesses. Please have your credit card ready when you call. Visit our website: www.swiftcall.com

SWIFTCALL

SAVE MONEY ON YOUR INTERNATIONAL PHONE CALLS WITH SWIFTCALL

0800 769 0066

NEW SWIFTCALL CALLING CARDS OFFER INCREDIBLE SAVINGS OF UP TO 70% ON B.T.'S PAYPHONE RATES. CONTACT YOUR LOCAL NEWSAGENT. DISTRIBUTORS URGENTLY REQUIRED. FOR DETAILS FREEPHONE 0800 769 0171.



TALK IS CHEAP!

Call us today free on 0800 769 0066 for details on fantastic savings to hundreds of other destinations and how to open your pre-paid account.

Calls to	Swiftcall	B.T.	SAVE
Australia	20p	Vs 49p	59%
India	50p	Vs £1.20	58%
Japan	20p	Vs 77p	74%
USA	8p	Vs 24p	67%



Their low status means that many African women have little control over their lives, or their bodies. Men have numerous partners, allowing Aids to spread easily. Photograph: Jodi Bieber

War-ravaged land haunted by spectre of Aids

Aids may have lost some of its sting in the West, but it casts a lengthening shadow over Africa. Mary said in central Mozambique watches an epidemic unfold.

In the shade of the village mango tree, near Morrumbala in central Mozambique, more than 20 children, some as young as eight, have dissolved into giggles.

In the mid-day heat, Ameila Zeca, their teacher, is struggling to roll a condom over a chewed corn husk. When the rubber tips, she turns her attention to the arm of a chair. By then, the village headman (monitoring this culturally-sensitive sex education experiment, and a host of parents watching shyly from the shade of another tree, are also smiling).

"Does everyone know about Sida [Aids in Portuguese]?" Ms Zeca asks. The laughter subsides. She drills them in ways the HIV virus can be contacted. "Does anyone want to die?" she asks. "No" the children chorus, no one wants to die.

This village, like every other in Zambezia province, is struggling to stitch itself back together following the country's 17-year civil

war. Just a few years ago, the area was deserted. Millions fled across the border to Malawi to escape the fighting between Mozambique's Frelimo government and South African-backed Renamo rebels. Houses were razed and villages massacred. Millions died until neither side had the energy to slug it out any more.

After peace was brokered in 1992, the refugees streamed back from Malawi. The past echoes on in the mortared buildings and the fenced-off mine fields along the verges of the few pitted, surface-stripped roads. The war bankrupted Mozambique, but its economy is showing signs of recovery and in Zambezia's rural mud settlements and small towns, communities seem to be kicking-starting.

But all these precious signs of progress are threatened by a new enemy: Aids. The disease in Mozambique is most advanced in Zambezia. The refugees carried it back there from Malawi, which boasts one of the worst rates of HIV infection in sub-Saharan Africa.

New United Nations statistics, released to coincide with World Aids Day today, show that of the 30.6 million people in the world who are now thought to be HIV-positive, a shocking two-thirds are in Africa.

In the West, education, good health care and the discovery of expensive, life-prolonging combination therapies have robbed the virus of some of its sting.

In Africa by contrast, Aids is claiming victims at breathtaking speed, ploughing through countries whose populations are too worn out to offer much resistance to the disease. Charities such as Save the Children, sponsors of the village sex education scheme, are battling against enormous odds.

Apart from poverty, the disease in Mozambique can count on factors such as the low status of women and children to aid its advance. As we crawl in our car along crumbling roads, Etelvina da Cunha, Save the Children's local project director, points out child mothers as young as 12 tilling the soil in the nearby fields with their babies on their backs.

"In towns, men usually have two or three wives and in rural areas as many as six," she says. "Girls marry as young as 10 or even to much older men. Three out of 10 girls are married before they reach the age of 12."

Ms da Cunha dispenses condoms in the villages as we tour the district. The men look unimpressed. Some believe "Sida" is a gov-

ernment conspiracy to curb their traditional polygamy. Those who do accept the condoms do not always use them for their proper purpose. In some villages we see boys kicking footballs made of blown-up condoms, rope and banana leaves.

The men have girlfriends and prostitution is widespread. Ironically, the post-war recovery is helping to spread HIV infection. Morrumbala is again teeming with people and the local brothel does a roaring trade. Every week a lorry arrives in town to pick up "used" women and deposit another consignment of girls.

The presence of international charities drew one local girl called Anna, 25, to Morrumbala. She found work with the UN High Commissioner for Refugees. But it wound up a couple of years ago, and the Italian aid worker she was living with returned to his wife. Now she now trawls the bars. If not, she does not eat. It is the fate of so many local women. "There is no other work," she says. Competition for clients is fierce, but she still sympathises with her rivals. Girls as young as 10 work the bars just to go to school. "They swap sex for money for exercise books," she says. "I really feel for them." Like her they seldom use condoms because most of their clients refuse.

The pieces are all in place for a terrible epidemic. Sexually transmitted diseases are widespread and largely untreated (increasing vulnerability to HIV). There are no reliable statistics but local Aids workers reckon the HIV infection rate among pregnant women is around 25 per cent.

That the local health services are ill-equipped for the crisis is an understatement. Malaria and other diseases which long ago ceased to trouble the West have them beating. Morrumbala has just witnessed an outbreak of bubonic plague. "There are no needles, no aspirin, no antibiotics," says one official, who does not want to be named, "except when an official visits."

In the face of such a bleak reality, Save the Children believes the only hope is to target the next generation as early as possible. Their controversial sex education pilot only started after they had convinced parents that their children not only knew about sex but were sexually active.

Even with education, the children who chant about Sida beneath the tree face heavy odds. The social standing of women is unlikely to improve unless the economy takes off. Until then, girls and women will not have the luxury of choice or the power to insist on a condom.

Israel's handover scorned

Israel's cabinet yesterday approved in principle the handover of more West Bank land to the Palestinians, but did not decide on the scope or timing of the pullback.

Under the Oslo accords, Israel is committed to a three-stage withdrawal, which is intended to end the Israeli occupation of most of the West Bank, which it captured in 1967.

But Benjamin Netanyahu, the Israeli Prime Minister, has made it clear that he does not intend to relinquish much more than one-third of the West Bank, and in the next phase he is unlikely to hand over to the Palestinian Authority more than 6 to 8 per cent of the West Bank, rather than the 20 to 25 per cent it expects.

Mr Netanyahu is also demanding a "systematic" clampdown on Hamas, the Islamic militants, by Yasser Arafat, the Palestinian leader, and the acceleration of final status talks on relations between Israel and the Palestinians. Then the redeployment can begin. The Palestinians, and increasingly the Americans, see these demands as excuses not to implement the Oslo accords.

Washington is putting pressure on Israel to negotiate seriously in the light of the continuing crisis over Iraq. The Americans believe Mr Netanyahu's intransigence is undermining their position in the Arab world. In a letter to two Jewish leaders in the US, Madeleine Albright, the US Secretary of State, wrote that "the reality which we deal with is that when the peace process between Israel and the Arabs is deadlocked, our influence in the region is harmed."

"The Israeli government is actually conducting negotiations with itself," said Hanan Ashrawi, a Palestinian cabinet member yesterday. "The Israelis say they want to conduct negotiations with the Palestinians - but basically there is already a signed agreement pertaining to redeployment, and a timetable for that redeployment. So I don't believe this is the time to start devising agreements."

It is not clear if Mr Netanyahu has any intention of implementing the Oslo accords. Hani Shalev, an Israeli commentator, says no one - Palestinians, Americans or members of his own cabinet, "knows whether to believe what Netanyahu is saying, and nobody knows where he is really heading."

The Israeli leader made it politically impossible for Mr Arafat to clamp down on Hamas when he released Sheikh Ahmed Yassin, the Hamas leader, from jail in return for the freeing of two Israeli agents captured in Jordan on a mission to assassinate a Hamas official. Mr Netanyahu is also under pressure from the extreme right not to pull back further from the West Bank.

— Patrick Cockburn, Jerusalem

French hostage in Tajikistan killed after rescue is botched

Hostage-taking in Tajikistan yesterday claimed the life of a French aid worker. Phil Reeves in Moscow says the violence in the former Soviet republic worries the West's oil men as well as the Kremlin.

A French hostage in Tajikistan died yesterday after a disastrous rescue operation in which heavily armed government troops stormed the hide-out in which she was imprisoned. Her death is a setback for the Central Asian nation which had been trying to prove to the world that, after four years of civil war, it was making headway in its effort to restore stability by clamping down on a rash of abductions.

An airlift was last night heading from France to the capital, Dushanbe, to pick up the body of Karine Mane, who worked for an organisation funded by the United Nations refugee agency, UNHCR.

There were conflicting reports about what happened in the fatal operation, although clearly went badly wrong. According to Reuters, local residents said it began when a government tank drove into the courtyard of the house in which

she was imprisoned, and rammed it. Although this was not officially confirmed, the Tajik foreign ministry admitted government forces attacked the building. Another official said five of Ms Mane's guards walked out into the courtyard shouting "Allah, Akbar" ("God is Great") and blew themselves up with a grenade, which badly injured her.

Her death came a day after her partner, Franck Janier-Dubry, an official with the EU's Tacis programme, was released. The two were abducted nearly a fortnight ago in what appears to have been the latest round in a feud between the government and one of the Islamic warlords who have been vying for power.

Whatever the truth behind the details, the incident is evidence that the Tajik authorities are struggling to impose order on the divided nation of 5.5 million people. In June, a shaky peace agreement was struck between the government under President Imomali Rakhmonov and the main Islamic opposition, after a long conflict in which 20,000 died and more than 100,000 fled the country.

But in the last few months, peace has been under considerable strain. Dushanbe - a city populated by a bizarre mixture of dagger-wielding bearded Islamic fighters,

government troops, UN officials, Russian workers and oil executives - has been disrupted by bombings, and shootings.

The violence has caused a ripple of consternation from Moscow to Washington. Though small, Tajikistan is a component in a much larger geopolitical struggle in the region. The government is propped up by Moscow, which has 20,000 troops on Tajik territory as a bulwark against Islamic fundamentalism along its vulnerable southern flank - a fear sharpened by the ascendancy of the Taliban in Afghanistan.

The region is also important to the United States and others keen to exploit the vast oil and gas reserves in the Caspian Sea and Central Asia, and to choke off a flood of narcotics from the region. For similar strategic reasons, Iran is keenly interested in its smaller neighbour.

The players in this power game are not finding it easy to impose their will. When the two French were abducted on 18 November, the US embassy in Dushanbe advised Americans to leave the country, adding - with unusual bluntness - that the Tajik government had failed to demonstrate that it had the capacity to protect foreign nationals. Yesterday it sought to do so, with tragic consequences.

Poll shock for Taiwan

A breakthrough in local elections by Taiwan's main opposition Democratic Progressive Party (DPP) could signal the end of half a century of one-party rule by the (KMT), which ruled the Chinese mainland in 1949 when its leaders fled to Taiwan.

The DPP victory shook the Kuomintang and will irk Peking, as it dislikes the opposition's commitment to independence for Taiwan. The DPP's triumph in Saturday's election for mayors and county magistrates was largely the result of a strategy which underplayed its pro-independence platform, stressing a commitment to clean government.

Under the leadership of the former dissident Hsu Hsin-liang, the DPP has transformed itself, neutralising radicals and pushing the organisation into the mainstream. The strategy secured a majority of the popular vote for the DPP for the first time and gave it control of municipalities housing 72 per cent of the population.

Yesterday leaders said they expected victory in next year's national elections. The KMT made no effort to hide the scale of its defeat.

Wu Poh-ling, party secretary, offered to resign, while Prime Minister Vincent Siew said the results "show people seek change".

DPP sources say Mr Hsu is keen to pursue negotiations for a coalition government with the KMT to give party members experience of government and establish their credentials as a credible alternative.

— Stephen Vines, Hong Kong

Mugabe lashed by old enemy

Zimbabwe's last white leader, Ian Smith, yesterday dismissed President Robert Mugabe's planned land-grab as politicking and said if he did seize white farms it could destroy the economy.

"Mugabe won't go ahead with his plans as they are now. The most important thing for him now is to win support and votes," Mr Smith said.

Mr Mugabe's government has included a part of a farm owned by Mr Smith, white Rhodesia's last prime minister, among 1,503 land parcels it plans to seize for redistribution to black peasants.

— Reuters, South Africa

ZERO %

Interest free instalments on home and motor insurance

FREE CD WHEN YOU CALL FOR A QUOTE

3800 333 800

Let's open 8am-10pm Mon-Fri, 9am-5pm Sat

EAGLE STAR DIRECT

Mugabe lashed by old enemy

Zimbabwe's last white leader, Ian Smith, yesterday dismissed President Robert Mugabe's planned land-grab as politicking and said if he did seize white farms it could destroy the economy.

"Mugabe won't go ahead with his plans as they are now. The most important thing for him now is to win support and votes," Mr Smith said.

Mr Mugabe's government has included a part of a farm owned by Mr Smith, white Rhodesia's last prime minister, among 1,503 land parcels it plans to seize for redistribution to black peasants.

— Reuters, South Africa

7.00% GROSS

It's enough to make you lose interest in your Building Society.

	£2,500-£4,999 GROSS	£5,000-£9,999 GROSS	£10,000-£24,999 GROSS	£25,000-£49,999 GROSS
Building Society - Instant Access Savings Account	5.00%	7.00%	7.00%	7.00%
Building Society - Instant Savings (Instant Access)	3.00%	3.00%	4.25%	4.50%
Woolwich - Prime Gold (Instant Access)	3.25%	3.50%	3.50%	4.40%
Hatfield - Solid Gold (30 Day Notice)	4.10%	4.85%	5.15%	5.55%
Abbey National - Investor 30 (30 Day Notice)	4.00%	4.30%	5.10%	5.60%

Source: MoneyWeek, rates correct to 30/11/97. Based on interest credited monthly.

You don't need to save with a Building Society to get top interest rates that remain consistently high throughout the year.

At 7.00% gross* you'll see our rate compares very favourably with the competition. Especially when you consider we offer instant access with no penalties or charges and free telephone banking.

All this from the comfort of your own home 24 hours a day, 365 days a year. So there's never any need to waste time queuing at the Building Society.

Save with Bank of Scotland Banking Direct, a safe, secure and profitable home for your money.

For the low-down and an application form call us free on 0500 804 804.

BANK OF SCOTLAND BANKING DIRECT

0500 804 804

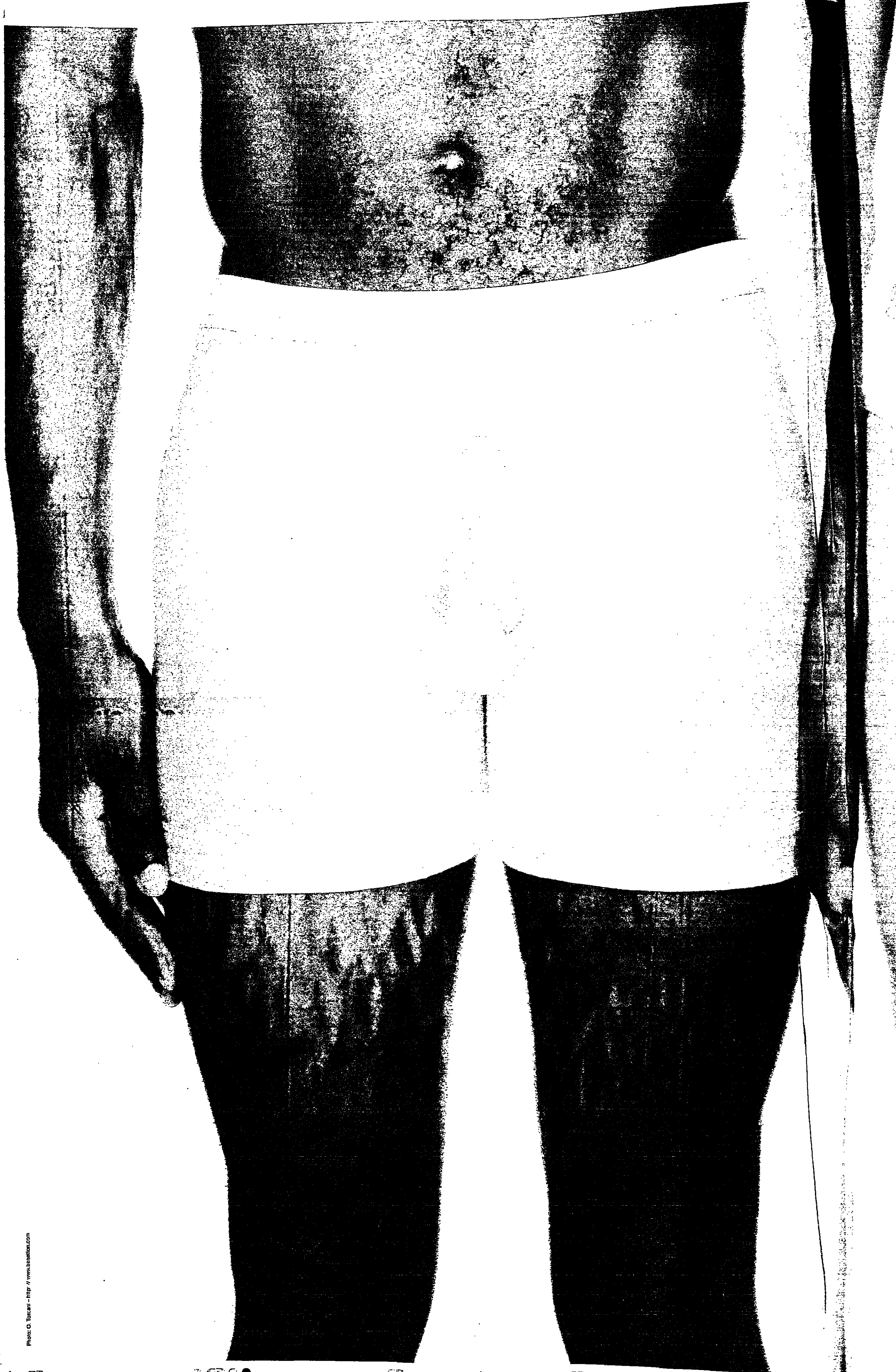


Photo: O. Tuzani - http://www.baniff.com

صحنه من الاله

صكنا من الامل

UNDERCOLORS
OF BENETTON.

LEGA ITALIANA
PER LA LOTTA CONTRO
L'AIDS

Museum charges will always be too high a price to pay



EDITOR: ANDREW MARR.
DEPUTY EDITOR: COLIN HUGHES.
ADDRESS: 1 CANADA SQUARE,
CANARY WHARF,
LONDON E14 5DL
TELEPHONE: 0171 293 2000
OR 0171 345 2000
FAX: 0171 393 2435
OR 0171-345 2435

"If you wish to continue to look at this painting, please insert another compulsory donation token." Can the day be far off when our museums and art galleries are cordoned off from the rest of public space and charges introduced across the board? The Government will make a statement in the next 10 days, and no doubt it will be a carefully-balanced compromise between the "tough choices" imposed by public spending limits and the Labour Party's desire, expressed rather more passionately in opposition than in power, to keep museums and galleries free.

That will be a shame, because this is really an either/or decision. Either this country continues to glory in a series of great national art and cultural collections into which citizens can walk on a whim, in their lunch breaks or in between shopping. Or it slips and slides into a state of affairs in which "culture" is seen as a segmented economic activity, marked off, labelled as elite and paid for. This would be

a stifling and posthumous legacy of Thatcherite philistinism, and it would be grimly fitting that one of the engines of such a decline turned out to be the National Lottery. As we report today, the lottery, far from being the bottomless cornucopia paying for a revival of British culture, has turned out to be one of its chief enemies, by so distorting the financing of the larger museums and galleries.

According to the report from the Policy Studies Institute, the lottery has distracted curators from their core functions, including making their collections accessible, by encouraging grand capital projects which will require a source of revenue in future to maintain. This is an important extra pressure for charges to be introduced. In addition, lottery money has been drawn to the biggest and most famous institutions, many in London, thus dragging us further from the ideal of a proud, independent museum and gallery in every big city.

Yes, of course this is an elitist issue. Many cultural institutions already charge. The Science and Natural History Museums in London are not cheap. You have to pay to go to the theatre or listen to a concert. Why are the fine arts and provincial museums different? Well, they are different because as communities - or municipalities as they were called then - we recognised that we all gained from them, even if we personally never understood why a photograph would not be a better likeness, or why we could not read about the Rosetta stone in a book.

And in a way this is a small issue. The sums of money are relatively trivial in relation to the national budget. Education, health, pensioners and lone parents are all in greater need. But unless it is seen, one and a half steps back from the small print of the Treasury Red Book, as a big issue, it will go by default.

Because it is a question of the kind of society modern - even millennial - Britain

is. Amid all the brave talk of a young, re-branded country, there are two possible models of the future. In one, we simply embrace entrepreneurs, big business and the dynamism of the private sector and seek to recruit them to social causes. Museums can stay free if they find sponsors to pick up the tab. Or, in the other future, we retain a role for the collectivity of citizens, a sense of civic pride, and a map of civic space. We say that the Victorians were right to aim for an elevated public culture and to mobilise collective resources for it. Indeed, side by side with the growth of Thatcherite free-market dynamism we have seen something of a renaissance in the architecture of public spaces over the Eighties: the question is whether this can be developed and promoted before it is swallowed up by a concept of the public good that is simply the aggregation of the prices that individuals are prepared to pay.

It is a good thing that museums and galleries have become much more commer-

cial and have raised huge sums of money from sponsorship. But the commercial imperative should not carry all before it. We should make some large declarations about our society - that we want to live in the sort of country where really good art and artefacts can be seen without charge. Where public spaces, including streets, shopping centres and train stations, should be safe and pleasant places for all the people.

Compromise is not possible. This newspaper last week pointed out that museum charges would deter people from just popping in if they could steal a quarter-hour to see a particular exhibit or simply be ready to be surprised by what is there. A correspondent suggested that charges could be set like car parks according to the amount of time spent. But that does not meet the objection. Free museums and galleries should be an indivisible part of our public life, and the Government should say so.

Post letters to Letters to the Editor and include a daytime telephone number.
Fax 0171 293 2056; e-mail: letters@independent.co.uk
E-mail correspondents are asked to give a postal address.
Letters may be edited for length and clarity.

LETTERS

Minimum wage

Sir: Your leader of 28 November rightly recognised that the "principle of the minimum wage is simple and it is right". All sectors of business also support the principle of the minimum wage.

However it is wrong to think that the Low Pay Commission can come up with a figure by Christmas and the Government can introduce it in the New Year.

A minimum wage was a manifesto promise. We have set up the Low Pay Commission within 90 days of the election and legislation is in the first session of this Labour government. This will enable the minimum wage to be introduced as quickly as practicable.

But the Commission need time to consult widely with business and workers. They have written to over 600 organisations and are nearly half way through a national fact-finding tour. The commissioners must then consider all the evidence to reach informed recommendations on the rate, components and scope of the minimum wage.

That is why the Bill we have introduced doesn't contain a figure for the wage or spell out whether there will be different rates for those aged 16-25. To do so would prejudice the decisions of the commission. They are not "loopholes".

What we have made clear in the legislation is that there will be a single rate which will apply to all regions, sectors and size of firms. This will make the minimum wage as simple and as universal as possible.

For almost 30 years there has been a campaign for a national minimum wage and within six months of the return of a Labour government that wait is almost over.

IAN MCCARTNEY
Minister of State
Department of Trade and Industry
London SW1

Sir: Young people will be appalled by proposals to exempt them from the minimum wage ("Loophole may leave young workers unprotected by low pay law", 28 November).

In 1995, 16-24 year olds accounted for one in three of those earning £2.50 per hour or less. From 1985 to 1995 average pay for young people fell by up to 12 per cent of the na-



tional average wage, while youth unemployment rose to double the national average.

Lower wages don't make it easier for young people to get work, just harder to live on it. Too many government policies assume young people can live on less. Income support for 16- to 17-year-olds has been removed and training allowances frozen. Housing benefit and job-seekers allowance are lower for under-25s. Unfortunately, food, clothes and housing are not.

Sadly, young people rarely scrutinise government or make a fuss. If the Government sought to reduce the cost of the minimum wage by latching on to the one group who will not complain and whom the general public finds it easiest to discriminate against, it could not do better. But that does not make it ethical or fair.

MARTIN WILSON
Chair
British Youth Council
London N1

Museum charges

Sir: For the directors of the Natural History Museum and three other museums to assert (letter, 29 November) that there is no statistical evidence to support the view that admission charges deter visitors, and that the figures quoted in David Lister's report are "fictitious", impugns officers of their own museums.

The figures quoted in our survey were checked and counter-checked with all national museums, with figures reported by successive governments and in the House of Commons this year. There may well be a margin of error in estimating visitor numbers without a ticketing system, but it is as likely to be under as over in any system dependent on the eye and hand. The fact remains that only now, when it is convenient for their argument, do the directors damn it.

The Earl of CLANCARTY
Lord FREYBERG
House of Lords

Carbon trading

Sir: I agree with Professor Peter F. Smith's carbon-based approach to car addiction (Letters, 26 November). An approach which gives me the same right to pollute you as for you to pollute me is the only fair way forward.

By issuing an equal number of pollution-credits to each man, woman and child, without which it was impossible to buy fuel, there would be more pressure to decide whether, for instance, to squander them on gas-guzzlers or economise with car-pooling.

Furthermore, if trading of those credits were allowed and if they were not issued directly to businesses, the latter would have to buy their credits on the open market and I could, for instance, choose to swap my credits for a bus or train pass and know that the road-space I was vacating would not simply be grabbed by another car-driver who could afford to pollute me more than I could him, or by a lorry whose

owner was simply passing on road charges to his customers.

By wiping the slate clean at the year-end and issuing another year's worth of credits based on the previous year's actual national fuel consumption, individuals who decided not to use all their credits would know they were helping to achieve a real reduction of pollution.

TERRY HORSNELL
Cambridge

Sir: Global warming is a fact, with plenty of climatic evidence to back it up in recent years. However, we should beware of rushing to put all the blame on human causes such as the burning of fossil fuels. The Earth has experienced warmer climates and higher levels of carbon dioxide in previous ages.

It is quite possible that general changes in temperature are caused by variations in the power output of the Sun, which are not yet sufficiently understood or accurately measured. Dr Maric's comparison with Venus (let-

ter, 28 November) fails to mention that the dire condition of that planet is due to its receiving twice as much heat from the Sun as does the Earth.

While it is highly desirable that atmospheric quality should be improved by cutting man-made emissions, we should not assume that this would also lead to a reduction in the rate of global warming.

SAM BOOTE
Keyworth, Nottinghamshire

American wheat

Sir: In reply to Maya Kraus (Letters, 25 November), I have no wish to become embroiled in the rights and wrongs of the proposed Food Standards Agency handling both food safety and nutrition. However, your readers should be aware that British flour and bread is made predominantly from British and other European wheat. Usage of North American wheat is a tenth of its level 25 years ago, accounting for only 6 per cent

of our needs. In the circumstances, an association between North American wheat and asthma seems highly unlikely, though we would naturally be interested to see the evidence.

JOHN MURRAY
Director General
National Association of British and Irish Millers
London SW1

Mourning Hitler

Sir: William Long mentions the fact that Eamon de Valera visited the German embassy on 2 May 1945 to offer his condolences on the death of Hitler (Letters, 28 November). De Valera's action on that day was purely political and reinforced his determination to preserve Eire's proclaimed neutrality to the bitter end, even though he was fully aware of what the consequences of his gesture might be. A patriot de Valera was, a Nazi sympathiser he wasn't.

PHILIP O'REILLY
Birmingham

Millennial dawn

Sir: The International Date Line was established by the International Meridian Conference of 1884. At that time the people of Kiribati had had limited contact with the outside world and operated to an entirely different system of time from the 24-hour clock. European time was introduced when we were declared to be the British protectorate of the Gilbert and Ellice Islands in 1892.

When Kiribati again became independent in 1979, we inherited a situation where different parts of the country were operating in different days. The action of President Tito's government to remove that nonsense was motivated by the desire to unify our country and its administration. We resent the implication that this move was a cynical bid for tourist money ("South Sea islands fight for first place in millennial dawn", 28 November).

In fact, Caroline Island is not inhabited, and has no roads, airports, wharves, nor even much fresh water. While we shall welcome those who choose to celebrate the millennium dawn there, it will be very much a case of "bring your own infrastructure" - including sea transport to get there.

Our own people's celebration of the new millennium will take place on Kiribati (Christmas Island), which does have suitable infrastructure. President Tito has invited anyone who wishes to celebrate with us; but as there are fewer than 100 hotel rooms, our visitors must be prepared to accept the traditional hospitality of the I Kiribati Maneaba (meeting house), rather than that of a tourist trap. I certainly hope to celebrate the millennium dawn there, some eighty minutes in advance of those on Mount Hapeka.

MICHAEL WALSH
Honorary Consul, Republic of Kiribati
Llundawdi Rhydderch,
Monmouthshire

Jesus the surveyor

Sir: Whether Jesus was a carpenter or a chartered surveyor we shall probably never know (Column One, 28 November), but the latter view would give a whole new meaning to the immortal hymn "When I Survey the Wondrous Cross".

Dr ALLAN DODDS
Nottingham

A game of two halves with football's first agony aunt



MILES KINGDON

I am glad to welcome today the very first football agony aunt in any national newspaper, Aunt Ron Bagshaw. Ron played football for most of the teams in today's Football League, and was variously known as the Hard Man of Hull, the Pele of Peterborough and the Nancy Boy of Notts County.

He has seen football in all its varying moods, known the agony and the ecstasy, had it all to do, faced an uphill struggle in the second half, been sent off, been sent on, and now, as he hangs his boots up, he is knackered. But his heart is still in the game he loves, and he has decided to become an apologist for the vagaries of this wonderful game.

Aunt Ron Bagshaw writes: Just a moment - just a moment! What's this about apologising? I have nothing to apologise for in my days as a footballer. Well, the occasional tackle when I went in a bit hard, yes, and broke a few limbs and put a stop

to a few careers, yes, but nothing else - I mean, football can hold its head up high among the sports of the world without saying sorry for anything! It made a man out of me and ...

No, I wasn't asking you to apologise for anything. An apologist is not someone who apologises - it's someone who defends.

Aunt Ron Bagshaw writes: Oh, yeah? Look, I was in the game all of 30 years and I never heard any of the back four being referred to as apologists. "The strikers were on target but the apologists gave it all away" - did you ever hear anyone say that?

No I didn't mean that an apologist was a defender in the footballing sense ...

Aunt Ron Bagshaw writes: Is there another sense?

Well, yes, there is. I mean, someone who stands up for an idea is an apologist for that idea. For instance, Cardinal Newman, when he wrote his life story, called it

'Apologia Pro Vita Sua', which was a Latin phrase meaning, 'Apologia for His Life', but he wasn't apologising for anything. Far from it.

Aunt Ron Bagshaw writes: Who did he play for?

Well, he started with Oxford but went over to Rome later on.

Aunt Ron Bagshaw writes: Shrewd move. I played for Oxford for a little while at the time it was owned by Robert Maxwell, and I didn't enjoy it much. If I had had an offer from Rome I'd have snapped it up like a shot.

That's interesting - what was it like playing for Robert Maxwell?

Aunt Ron Bagshaw writes: Much the same as playing for any big fat bloated uncouth dodgy businessman with bad breath, an overhanging ego like a beer belly and no taste in dress.

Good heavens. Are there many such people in the Football League?

Aunt Ron Bagshaw writes: Yes, quite a lot. In fact, by a coincidence it's exactly the same number as the number of clubs in the League. Each club has got one like that. He's called the chairman. But Robert Maxwell was a little bit different.

Why?

Aunt Ron Bagshaw writes: Well, he was mad.

I meant, apart from that.

Aunt Ron Bagshaw writes: Well, he was the only club chairman I ever met who came to home matches with two libel lawyers. He would wander up and down the touchline listening to the players, and the fans, shouting their usual obscenities, and as soon as he heard somebody shout something actionable he would slap a libel writ on them, there and then.

Good heavens. Did he ever win any of these actions?

Aunt Ron Bagshaw writes: Well, no, not really. The thing was, you see, that some-

thing actionable shouted at a football match is not libel. It's slander. It's very difficult to prove that something has been shouted at a football match unless it is written down or video-recorded, so almost all these cases were dropped. I can remember once when an opposition player shouted at me, "You can't play any better than the fat fraud who pays you!" and Maxwell rushed on the pitch holding pen and paper and shouting, "Write that down, write that down, I dare you!"

And what happened?

Aunt Ron Bagshaw writes: He was sent off.

Well, I am afraid that Aunt Ron Bagshaw didn't get the chance to answer any of your emotional problems in his opening stint as football's one and only agony aunt, but I think you'll agree that it was an enthralling no-score draw! He'll be back again soon, so keep those agonising dilemmas rolling in!

Welfare to work: the gamble that has to pay off



POLLY TOYNBEE
BENEFITS OUT,
INCENTIVES IN

The row about the cut in benefits for lone parents is serious. It goes right to the heart of the Government's priorities. Until now, welfare to work has been something everyone could support: it has been all up-side with no pain for anyone. It has been all extra money to help people back to work with no cuts or sacrifices. But the crunch has come over lone parents. Should the Government spend £400m restoring the cut the Tories made for all new claimants, or should the money be spent instead on a New Deal programme to get lone parents back to work, plus a huge expansion in after-school clubs to make that possible?

Both, say Labour's backbench rebels – most of whom think the Government was wrong to opt for extreme pain in the first two years in power, with more spending only in later years. On one issue or another, this was bound to come to a head.

However, this was not a very hard choice for the Chancellor, for he is plainly not averse to sending out American-style signals that a life on welfare is no longer an option. It is becoming increasingly clear that he and Harriet Harman intend to get almost every able-bodied person now living on social security into a job of some kind. They wouldn't have chosen to pick on lone parents' benefits, but if it was a choice between that and more childcare, it was an easy decision. As it is, it looks as if the New Deal is such a success there's a danger that its evaluation system will be wrecked: in the control areas where there is no New Deal, lone parents have heard of it and are demanding help in getting jobs, upsetting the statistical calculations of its effects.

The Chancellor is gambling everything on welfare to work. This is just the first hard choice in his mission to save self-perpetuating workless ghettos – the Government's most important and admirable endeavour. Critics dislike its moral overtones, uneasy with the idea that any work is morally improving: who are we in good jobs to tell others that sweeping floors is good for them? But Brown's people repose with the ever stronger conviction that this is just middle-class squeamishness: almost all those without work do choose to take a job once the obstacles are removed.

I happen to think they are wrong about cutting lone parent benefits, but not because all benefit cuts are wrong. Having seen something of the US welfare-to-work system in Wisconsin, some cuts can be the right thing to do. But the Government is wrong this time, because it may perversely drive against getting lone parents into jobs. Lone parent benefit is paid to single parents in part, encouraging them to get a job; cutting that is no incentive. I still think childcare is far more important. But the Chancellor's obsession with changing Family Credit into a tax credit is a mistake and a huge distraction from the main task of welfare reform. There is only so much political time and energy for change, so why squander it on something that will make no difference to work incentives?

Family Credit, the benefit that tops up low

pay to make sure it's always worth working, is so efficient it won a Charter Mark recently. Cynics say that the only reason Brown wants to remove Family Credit from social security and pay it instead into pay packets through the tax system is a vulgar ruse to lower the total social security bill: several billions would be hidden away in the nether regions of the Inland Revenue. Family Credit would just be rebadged: recipients of the new tax credit will fill out the same forms and be paid the same sums, but it will arrive via their employers instead of in a giro.

A dozen serious technical problems arise, though this week Brown's first aid team has been scurrying about putting sticking-plasters over the problems to show that it can be done. And it probably can, though small employers won't like it and will need to be bribed. But no, it will not need wholesale joint taxation of couples, and no, workers will not need to reveal intimate family details to their bosses.

Strongest objections will come from 300,000 mothers, the partners of low-paid fathers, who collect Family Credit in a social security giro: they'll lose it when it's paid into the breadwinner's pay packet instead. Though as it is, when men move off Family Credit, on average after a year, the women lose it anyway. The best quid pro quo, to show the difference between a reward for work paid to the breadwinner, and benefits for workless families, would be to ensure that in all families on social security the mother collected most of the family money and the father only collected his own small personal allowance. Now that would be a work incentive for men and a transfer of money back to women in response to Diane Coyle's survey in today's *Independent*. Also, if the Government did double child benefit for all and tax it back from the rich, which might involve a measure of joint taxation for couples, that too would redress the balance.

Despite the rhetoric, Brown's tax credit will do nothing to ease the awkward tapers out of benefit and into work. Tapers can currently be fixed at any level. So why all the fuss? Sheer conviction. Brown believes it will have profound psychological effects on the unemployed. It's hard to find anyone who agrees.

But the most extraordinary statistic revealed in the fuss about the tax credit last week is this: Brown expects an astonishing tripling of the numbers of parents moving off social security and into low-paid work – a tripling of the Family Credit bill to £6bn. That means he expects just about every able-bodied parent now on social security will get a job. If Labour achieved that, their triumph would be so remarkable that everything else would be an irrelevant quibble.

After all, current welfare-to-work plans only involve some 120,000 young people who are mainly not parents, so will not claim Family Credit. So he must be planning for virtually every lone parent to work, plus many of those now listed as sick but who may be simply dispirited. He must be planning for most wives of unemployed men to go out to work. Can it be done? Perhaps only if the Chancellor has indeed brought about the miraculous end of economic history, no more stop-go. But only last week the Governor of the Bank of England said he expected an employment downturn next year. Either the Chancellor or the Governor is wrong.

The Government pins its hopes on micro, personal policies – calling in every non-worker to show them how a job plus Family Credit will make them on average £50 a week better off. Almost any scheme that calls in the unemployed and helps them overcome personal obstacles yields rich results – and the new after-school clubs will help hugely. The question is, if the economy falters, can this micro-management buck the macro-economic trend? Now that (pace the article adjacent) would be a miracle indeed.

Risked death? Had septuplets? Welcome to the age of miracles



Bobbi and Kerry McCaughey at Des Moines Methodist Medical Center, Iowa, talking about the birth of their septuplets. Photograph: AP



THOMAS SUTCLIFFE
A FAITH
WITHOUT GOD

It was, declared the proud parents, a miracle and newspapers all over the world appeared to agree with them, rubber-stamping the delivery of living septuplets with that increasingly familiar cliché for the unexpected (even this newspaper, which usually prides itself on its rational sobriety, joined in). But, as miracles go, this was a rather intriguing one, because it neatly united two incompatible usages of the word. The first of these is by far the more venerable one – the sense of a divine intervention that momentarily annuls the laws of nature so as to permit the impossible. Both parents were devout Baptists and I take it that they meant exactly what they said. God had decided that their fervent prayers for one more child should be answered sevenfold.

This strikes me as maliciously superfluous on God's part, almost a black joke about the dangers of getting what you wish for, but their faith seemed

undisturbed. (It was equally undisturbed by other logical paradoxes in the case – the parents had decided that it would be wrong to abort any of the foetuses, for instance, despite the considerable risk this decision involved for the health of every one of them. Here they left themselves in God's hands, trusting to his benign adjudication. But they were only faced with this predicament, it seemed to me, because they had refused to settle for God's first decision, which was that they would not in the normal course of events conceive a second child. Quite how they know that God won't mind being overruled by the fertility treatment but absolutely puts His foot down at attempts to improve its chances of success I cannot tell, but then I don't believe in Him so He's unlikely to show me His workings.)

The second meaning of miracle is more recent and entirely secular in its force. It is frequently expressed in oxymoronic form as the "miracle of science" and it refers not to events which supernaturally contradict the laws of nature (and thus act as a reproach to the imperial ambitions of reason) but to any evidence of scientific technology's ability to make the laws obsolete. These days, for instance, "miracle babies" are two a penny. They don't require a star and a stable, just the application of techniques that were once pioneering but which are becoming increasingly practised and increasingly likely of success.

This is, of course, a self-defeating exercise as far as the miracle goes – because infrequency is a quality without

which miracles wither away. In *Soul Searching*, an admirable dissection of human credulity, the psychologist Nicholas Humphrey quotes Newton on this point: "For miracles are so called... because they happen seldom and for that reason create wonder. If they should happen constantly according to certain laws impressed upon the nature of things, they would no longer be wonders or miracles". Newton might have been talking about test-tube babies – once a prodigious miracle but now sufficiently well established to count as a "law impressed upon the nature of things". (The matter is complicated even further by the fact that quantum mechanics appears to countenance – indeed require – events which would have struck Newton as an entirely miraculous contradiction of his own mechanics.)

But there is a third meaning at work here too – neither the original notion of a divine display of power nor the stealthy way in which we have transferred to science the power to stand between us and the inexorable dictates of nature (only apparently inexorable, of course, because science's miracles never actually transgress the law, they simply re-interpret them for changing circumstances). The third meaning is the casual use of "miracle" as an all-purpose intensifier – an economical way of saying "Wonders'll never cease!" or "Crikey, that was close!" In the last month alone the word "miracle" was used 394 times in British newspapers, a tally that does not, I think, indicate that we are living through the last days but rather that the no-

tion of a miracle has now become substantially devalued.

It's also true, of course, that we live in a time with an indiscriminating appetite for wonders, whether it is the apparition of Lady Diana's profile in a cloud formation, as reported in the *Daily Star* last week, or the discovery of a cinnamon bun bearing the image of Mother Teresa of Calcutta. Never mind that it really would be a miracle if cinnamon buns and cloud formations *didn't* occasionally bear a resemblance to persons living or dead, these revelations feed the hungry. But almost anything can pass as a miracle these days. Take the instance of Mr George Sneddon, a Scottish motorist described earlier this month as having had a "miracle escape" after he took a wrong turning at a level crossing and found himself driving down one of Scotland's busiest railway lines. A Railtrack representative obligingly said that it was a miracle that a tragedy had not occurred (or, more probably, answered, "Um... yes" when a journalist asked, "Would you say that it was a miracle a tragedy didn't occur?"). But if you read the piece it was soon

clear that no supernatural forces had been involved in Mr Sneddon's deliverance. A passer-by who saw his radical solution to traffic congestion called from an emergency phone and Scotrail swung into action. The oncoming express was halted "just a mile" from his car, which doesn't quite qualify as a "hair's breadth" escape in my book.

What's odd about the prevalence of such routine miracles (how many times have you heard that it was "a miracle no one was hurt"?), is that they don't testify to any religious faith on the part of those who use the word. If anything it's quite the opposite – an unfulfilled wish that our destiny might be in the hands of something other than pure contingency. But between them science and the ebb of faith have secularised the miracle so effectively that it has lost all power to astound – has become a mere expression of confounded odds – whether it relates to road accident statistics or the success rate of fertility treatment. A miracle isn't any more what Goethe called it – "the dearest child of faith" – it's faith's surviving orphan.

A solution to our electoral problems worth voting for



JOHN RENTOUL
THE JENKINS
COMMISSION

What is wrong with Britain's electoral system? Well, for the past 18 years it produced the wrong result, that's what. Until, er... it delivered a well-deserved and totally fair landslide to Labour on an overwhelming, er, 44 per cent of the vote. The most persuasive Labour case for electoral reform has gone up in smoke, which leaves many cynics wondering what the point is of today's exercise in Lib-Labbery. What Labour people didn't like was Margaret Thatcher behaving like an absolute

monarch – on the basis of 44 per cent of the vote. The cynics said Labour's enthusiasm would wane if they won, although no one really expected Tony Blair to be such a beneficiary of the distortions of the present system. And yet, this afternoon, Downing Street will issue a statement announcing that Roy Jenkins is to chair a commission to come up with a "broadly proportional" voting system to be put to a referendum before – or possibly at the same time as – the next election.

This is not just any quango of the great and good set up to handle a tricky problem at arm's length from the Government. This is the Prime Minister handing over the writing of the rules of the political game to the leader of a rival party – Lord Jenkins is the outgoing leader of the Liberal Democrats in the Upper House.

And the Liberal Democrats have always had a clear idea of what was wrong with the electoral system. They always get lots of votes and yet they get just a handful of MPs who are treated like the Natural Law Party in Parliament – although even that changed somewhat this year, as they won a record

46 seats on a lower share of the vote. Nevertheless, they think that if they get one-sixth of the votes they should get one-sixth of the seats, rather than one-fourteenth, which is what they got in May. Sounds fair.

Mr Blair, on the other hand, has always made the strongest anti-reform argument. He says that matching seats to votes over large areas produces a system in which the balance of power will tend to be held by small parties. He's got a point too.

How Lord Jenkins is going to reconcile the two, and what Mr Blair is playing at by letting him try are fascinating intellectual puzzles. But surely the important questions to ask are: what really is wrong with our present electoral system, and should it be changed?

And there are things that are wrong, even if they have been partially obscured by Labour's cathartic landslide. Voters may regard Mr Blair's 179-seat majority as a reasonable expression of the popular will this time, but they remain largely alienated from the political process. And there are changes to the electoral system that could alleviate that.

From the point of view of the voter, rather than the parties, elections are an insult to the intelligence. The procedure of marking votes with a cross was devised for an electorate which was substantially illiterate. As a result, today's voter needs to consult estimates of what the result would have been in their constituency last time under new boundaries before casting their tactical vote.

The case for allowing voters to mark candidates with numbers in order of preference is unanswerable and ought to be separated from more difficult questions of how to ensure that outcomes at regional or national level are "fair". The trouble is that this elementary reform is described as a new "system", called the Alternative Vote, and attacked for being potentially less proportional than the present system. Instead it ought to be the starting point for any change.

Then there are more awkward questions about whether people get the governments they want or the breadth of representation they deserve. There remains some truth in the caricature Labourist argument,

that the Tories were able to impose the poll tax on a nation which had not voted for it. But equally, Mr Blair's objection to proportionality has considerable force. It would tend to give too much power to small parties. If the House of Commons represented the shares of the vote in the last election in strict proportions, it would have been technically possible for John Major to have remained in Downing Street with the support of the Lib Dems and the Ulster Unionists. An extreme and politically unlikely example, but indicative of the nature of the problem.

If it can be done in a way that commands general support, some way of adding extra MPs at local or regional level to balance up party representation without trying for full proportionality would seem to be the optimum solution, and it has been suggested that Lord Jenkins is sympathetic to this approach.

The question is whether the Prime Minister will see it in his interests to be flexible. It is interesting that one of the reasons for the general satisfaction with the election outcome is that he has chosen to govern as if he

were leading a coalition of Labour, Lib Dems and pro-European Tories, rather than in the fashion of his alleged role model, Mrs Thatcher.

It was also interesting that Jack Straw, the Home Secretary, in an under-reported speech in the Commons last week, made an important concession to critics of Labour's plan for a proportional system of "closed" party lists for European elections. He said he was prepared to consider the system used in Belgium and Denmark, where voters can express preferences for individual candidates on a party's list. Most voters would no doubt simply opt for the party list as it is, effectively letting the party decide the order of candidates, but it would meet some of the objections about giving excessive power to party HQs.

This suggests that the Prime Minister still has an open mind on many of the important arguments. If we can get away from the obsession with proportionality, and from silly caricatures of Irish and Israeli systems, today's announcement offers a genuine prospect of enhancing our democracy.

**HE'S NOT
OUT OF THE
WOODS YET**



Last Friday's vote brings us one step closer to outlawing hunting with dogs. But there's still a long way to go. Will you become a Friend of the RSPCA and join our fight to ban this cruelty for good?

Become a Friend today and we'll send you a membership badge, car sticker, our Animal Life magazine and regular newsletters to keep you up to date with all our work and campaigns – all from just £3 a month – less than £1 a week. Please help.

FOR YOUR FREE FRIENDS OF THE RSPCA
INFORMATION PACK
CALL 01273 299609 NOW
(QUOTING THE REFERENCE NO. 12C3)
OR COMPLETE THE COUPON BELOW

Simply complete and return this form for your FREE Friends information pack.

Once completed please send to: RSPCA, FREEPOST, Bristol BS58 2AL.

Name

Address

Postcode

THE AIMS OF THE RSPCA ARE TO PREVENT CRUELTY AND PROMOTE KINDNESS TO ANIMALS.

WE RECEIVE NO GOVERNMENT FUNDING.

REGISTERED CHARITY NO. 2130999



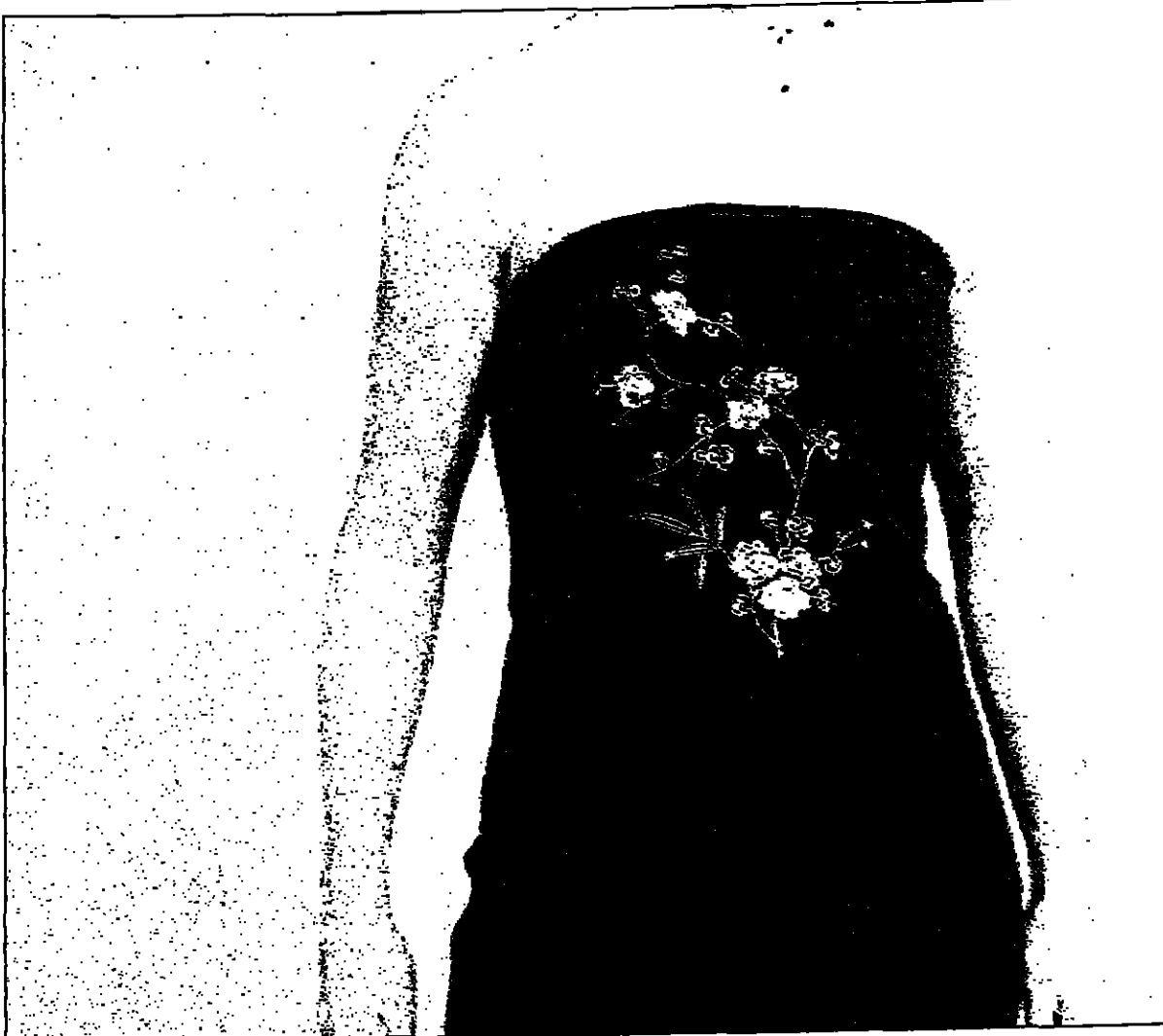
First, the dress. Then the party ...

Welcome to dress stress, the Christmas dose. The summer bit comes, you remember, when the first wedding/birthday/christening/garden party invitation of the year drops on to the mat.

Now, of course, it is the season to be merry. Invariably this means that we are expected to dress up like the female version of a Christmas tree – something, incidentally, that is all too easy to do, judging by the number of sparkly, sequined numbers in the shops.

We should like you to avoid that Christmas-tree look (you know we're right). After a great trawl of the high street, we have found six party dresses, all of which cost less than £100, are not overdone, and are versatile – to do brilliantly at the Christmas party, and beyond. Each dress was chosen on its individual merits, but each one speaks for itself – without shouting too loudly. They are also all in the shops right now. It is worth remembering that the ultimate party dress should invite the response "You look fab in that dress", not "that dress is fab". Furthermore, only a few accessories are needed: high-heeled shoes, a simple evening bag and a beaded necklace are enough. Get shopping.

Melanie Rickey



Far left: Bohemian Purple velvet strapless dress with embroidery, £59.99, by Oasis, 292 Regent Street, London W1 and branches nationwide (enquiries, 01845-881986); black necklace, £3.99, by Accessorize, as before

Left: The Oscar dress: Long gold cow-neck dress, £65, by IQ Trademark, at Debenhams, 334 Oxford Street, London W1, and branches nationwide (enquiries, 0171-408 4444); gold silky crochet scarf, £7.99, by Oasis, as above



Above: The Sixties number Black dress, £99, by Monsoon, 264 Oxford Street, London W1, and branches nationwide (enquiries, 0171-313 3000); black necklace, £4.99, by Accessorize, 293 Oxford Street, London W1, and branches nationwide (enquiries, 0171-313 3000); leopard print shoes, £49.99, by Carvella, Brent Cross Shopping Centre, London NW4 (for nearest stockist, call 0171-546 1888).

Photographer: Kevin Foord Stylist: Holly Davies Model: Caitlin Oliver



Above: inspired by Miu Miu Burgundy crochet dress with sequins, £49.99, from River Island, 124-126 Kensington High Street, London W8, and branches (enquiries, 0181-998-8822)

Left: inspired by Dior Couture Long gold crochet dress with fringed hem, £59.99, by Hennes, 261-271 Regent Street, London W1, and branches (enquiries, 0171-255 2031); red velvet shoes, £49.99, from Office, 53 South Molton Street, London W1 (for nearest branch, call 0181-838 4447)



Left: Oriental Black dress with fuchsia floral design, £55, by Warehouse, 19-21 Argyll Street, London W1, and branches nationwide (enquiries, 0171-278 3491).

OK, so a red ribbon is for Aids awareness – but what about a tartan one, or a green one?

Today is the 10th World Aids Day, which means that millions of people around the world should be reaching for their red ribbons – but what, asks a confused Jasper Poydell-Bouverie, do all the other colours represent?

Over the past few weeks I've seen yellow, green, black, pink, scarlet, tartan, multicoloured, light blue and, of course, red ribbons pinned on to various lapels. Very colourful it all is, but it's also slightly unnerving. The wearer is, after all, communicating his or her political, social

and possibly sexual leanings for all to see, and it's not always clear what the message is.

Take green, for example. You might assume that the wearer was a keen environmentalist, and green ribbons are indeed worn by green people. But they have also been worn by members of Sinn Féin, and, earlier this year, were stuck on the caps of professional golfers – in sympathy with a caddy with leukaemia. Imagine meeting someone wearing a green ribbon; do you talk about deforestation, decommissioning, or the final round at Muirfield in 1966?

I am not the only one to suffer such confusion. Red Ribbon International (RRI), which or-

ganises the Aids Awareness ribbon in the UK, is regularly asked for advice on ribbon identification. Apparently a lot of people, when they spot a new colour, think it's a different Aids cause. "We had a lot of trouble with black ribbons," says Mike Campling, director of RRI. "Many people thought that it was something to do with black people and Aids."

RRI run an unofficial ribbon advisory service. They have an office list, regularly updated, of all the ribbon campaigns of which they are aware. Black. Mike Campling was able to tell me, has been used by Oxford in a Rwanda fundraising campaign, but it was also used

by Anti-Eta campaigners in Spain last July. And then it was used at the funeral of the Princess of Wales.

In Scotland, thanks to Waverley Care in Edinburgh, the Aids awareness ribbon is tartan, and the Stonewall Group have their own rainbow ribbon in the colours of the gay flag to support gay and lesbian rights. Dark blue is worn for "ME awareness" in Britain and "total freedom on the Internet" in the US. Mauve is for animal rights. Yellow is for "I want someone home" – usually a political hostage or a prisoner of war, but most recently Louise Woodward. And pale blue could mean that the wearer was a supporter of the anti-drink-drive campaign or the Coventry Community Safety Team 1996, whatever that may be.

Is it just me who's ignorant – or do most people not know what these "other ribbons" refer to? When were we told? The original Aids ribbon was

launched at the Toni Awards ceremony in New York in 1991, but I get the impression that some of these others were dreamt up at village hall meetings – possibly in cahoots with a local haberdasher's. (Apparently orange ribbon hasn't been selling too well recently. Perhaps we should expect a campaign. Ulstermen? Sun-worshippers? Friends of the man from Del Monte?)

Strange though it may seem – given the simplicity of the ribbon concept – there are companies that will supply tied ribbons specifically for your campaign. I rang one, called Alan Salter, which supplies pink ribbons to breast cancer charities, and got the impression that the company was buoyant on the tide of ribbon mania. Yes, a spokeswoman told me, they were answering increasing numbers of enquiries about ribbon, and next year I could expect multicoloured ribbon campaigns, and ribbons with logos

printed through them. "We could do you any colour you like," she added hopefully. "If your paper wants to launch a campaign for something, then we could supply the ribbons. You could, say, have 200 limited-edition ribbons and sell them for £5 each."

Clearly, the original idea of ribbon-wearing – intended as easy, simple and cheap – is undergoing prostitution, but is this having any effect on the red ribbon campaign? Happily not, according to Mike Campling. Most people know what the red ribbon stands for, and far more red ribbons have been distributed than any other colour – 6 million every year compared with about 500,000 of all other colours put together. In total more than 100 million have been distributed world-wide and this year they are being worn for the first time in countries as far-flung as Ecuador, Senegal, Bangladesh, Sri Lanka, Cambodia and the Philippines.

All being well, such initiatives should prevent the Aids awareness ribbon being overwhelmed in the confusion that surrounds its imitators. Benetton's new advertising campaign, launched today, will help. It shows the newest addition to their Undercolours range, knickers featuring the red ribbon.

It is already one of the most widely understood symbols in

the world; we can only hope that, for the sake of world health, the red ribbon becomes even more widely known. Thanks to WH Smith, this week there will be no excuse not to wear one; they will be displaying collection boxes and red ribbons in 400 stores to raise much needed funds for the National Aids Trust. The fight, after all, goes on.

New Investment Rates

EFFECTIVE MONDAY 1ST DECEMBER 1997.

DIRECT SAVINGS ACCOUNTS CURRENTLY ONLY AVAILABLE TO EXISTING BRISTOL & WEST INVESTORS

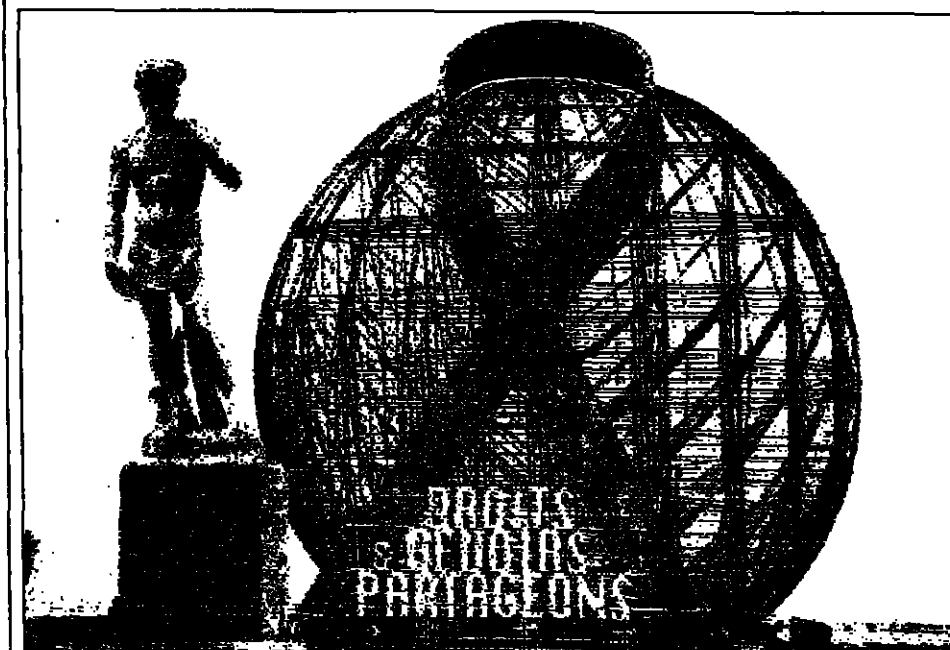
90 DAY NOTICE ACCOUNT ANNUAL INTEREST			90 DAY NOTICE ACCOUNT MONTHLY INTEREST		
BALANCE	GROSS* PA	NET* PA	BALANCE	GROSS* PA	NET* PA
£100,000+	7.40%	5.92%	£100,000+	7.16%	5.73%
£50,000+	7.05%	5.64%	£50,000+	6.83%	5.47%
£25,000+	6.85%	5.48%	£25,000+	6.64%	5.32%
£10,000+	6.80%	5.44%	£10,000+	6.60%	5.28%
£5,000+	5.95%	4.76%	£5,000+	5.79%	4.63%

ALL ENQUIRIES REGARDING EXISTING ACCOUNTS
TELEPHONE: 0345 100 123 (Calls charged at local rates)
DIRECT SAVINGS PORTFOLIO: INSTANT ACCESS, 90 DAY, TERM, TESSAS, GUARANTEED EQUITY BONDS.

DIRECT SAVINGS
BRISTOL & WEST PLC

Interest is credited or paid as per period in accordance with the Terms and Conditions of the Account. *Gross rates of interest are variable and do not take account of deductions of income tax. If you are eligible to receive your interest without deduction of tax, you should register an Inland Revenue Form 1023. Interest rates shown are Net after deduction of income tax at 20%. The actual net amount receivable by an investor who has not registered for gross interest will depend upon the rate of tax as required by legislation in force at the time interest is credited or paid out. Where the tax deducted exceeds an investor's tax liability (if any), a claim may be made to the Inland Revenue for repayment of tax. For individuals whose income falls within the lower or basic rate bands, the tax deducted will exceed their liability to tax on the interest and they will have no more tax to pay on it. Individuals who are liable at the higher rate of income tax of 40% will have to pay additional tax on the interest to cover the difference between the tax deducted and the higher rate tax due. Bristol & West plc is a member of the Banking Ombudsman Scheme and subscribers to The Banking Code and to The Mortgage Code. Bristol & West plc. Registered in England No. 2124301. Registered Office: PO Box 27, Broad Quay, Bristol, BS99 7AD.

BRISTOL & WEST



Ribbon for remembrance: today is World Aids Day

Photo: Jean Paul Pelissier/Reuters

PER SECOND BILLING

180 MINUTES OF FREE MONTHLY CALLS

FREE MONTHLY CALLS

FREE LINE RENTAL

FREE ACCESSORIES

FREE DELIVERY

ERICSSON GAZER £9.99

- Up to 83 hours standby
- 7.5 hours talk-time
- 50 name/number memory
- + SIM
- Data compatible
- Weight 217g

FREEPHONE 0800 0 386638

CREDIT/CHARGE CARD ORDERING HOTLINE WEEKDAYS 8.30AM - 8.30PM WEEKENDS 9AM - 5PM. Prices and offers subject to change without notice. All charges will be debited to your nominated credit/debit card. Offer valid while stocks last. See website for full details. © 1997 Ericsson. All rights reserved.



DEBORAH ROSS TALKS TO ANDREW MORTON

He is probably the richest journalist in England, and he has certainly been one of the most reviled. But it didn't need to turn out like that. He would still be languishing quietly in Muswell Hill if Diana had not decided that he was her Noah.

We now know that Andrew Morton's *Diana, Her True Story* was based on the Princess's own words. He has the six C90 tapes to prove it, plus the hastily updated and snappily retitled *Diana, Her True Story - In Her Own Words*, which will earn him a second fortune for practically no extra work, the cheeky little monkey.

But the big question, I suppose, is why did she, a woman with the world at her feet, pick him, a former *Daily Star* hack, and not, say, me, who wasn't so busy in 1991 that I couldn't have fitted her in between *Supermarket Sweep* and *This Morning*, if pressed?

Pure luck, Andrew? Because you happened to be researching her biography at the time she was desperate to get her side of things across? No, he insists. It was not merely a right time, right place scenario. Not by a long chalk. He's an historian and author, primarily. A serious bloke. The man for the job. Her official biographer, if you like.

Indeed, Diana's nickname for him, he reveals, was always Noah. "Tell Noah to get the story out," she would say to her confidants.

The nickname, he explains, arose after he'd been described in an American publication as a "notable author and historian". The resulting acronym tickled the Princess, he says. Personally, I think it quite touching that she could think "author" begins with an "o". But, then, Noah would have been a disaster. "Andrew Morton? Nahh..." And that would have been it, wouldn't it?

But, as it was, "I had been writing on royals for 10 years. I knew the social landscape. I knew the system. And I knew, already, that the reality of her life did not match the image. Diana's friends and staff were dropping dark hints about her unhappiness, and she needed the truth to come out, needed to confess. It was like Dostoevsky's moths gathering around the flame."

Obviously, Andrew's not just a hack who happened to land the journalistic equivalent of a big lottery win. He knows his Russian novels. I'm impressed. I didn't even know Dostoevsky kept moths. Certainly, he wants you to know he's an erudite and learned thinker.

"The outpouring of grief that erupted with Diana's death was very Chaucerian and medieval, don't you think?" He mourns her passing greatly. "We'll be lucky to see anything on such a scale in our lifetimes again."

Anyway, he was totally rubbish when, in 1992, the book first came out. He was a "tabloid vulgarian from Leeds" who wrote "novelette purple", and had made it all up anyway. The bulimia. The suicide attempts. Charles's adultery. Pull the other one, it's got the Hitler diaries on it. Initially, no newspaper would touch it when it came to the serialisation rights. "Basically, I was called a liar," he says.

Yes, he would love to have shouted out "actually, Diana was in on this", but he couldn't.

"She trusted me. It would have been a betrayal."

Did he find the flak hurtful? "I didn't bother reading a lot of it, it was such crap." How did he keep his spirits up? "By



Andrew Morton: 'My interest was in psychologically understanding her. Why did she throw herself down the stairs at Sandringham? Why was she bulimic?'

Photograph: Glynn Griffiths

He couldn't shout: 'Diana was in on this.' 'She trusted me. It would have been a betrayal'

knowing I was being true to myself." He is quite big when it comes to self-belief, I think. He even, it has been suggested, used to think the Princess was a little in love with him. True? "No, absolute rubbish," he cries. Did he ever fall a little in love with her? "No. My interest was in psychologically understanding her. What had her childhood done to her? Why did she throw herself down the stairs at Sandringham? Why was she bulimic?"

But is Andrew being true to himself – or to Diana, for that matter – with this new, updated version of the book, which includes 69 pages of her own, transcribed words? The Red Cross was not impressed. It refused to accept a donation from him. Bob Geldof was even less impressed. He called Andrew "a loathsome creep gorging on the memory of the woman who handed him his cheque".

What does Andrew make of such reactions?

"I just didn't understand it. By attacking me, they were attacking the Princess of Wales, who wanted the story written." But she never wanted to be identified as the source, did she? "I'd left the tapes in my will to Sussex University, to be used after my death. It would not have occurred to me to reveal them, had she not died."

"I first met Mike (Michael O'Mara, his publisher) the day after the funeral. He was already being criticised for not doing a reprint of the original book, which was selling out everywhere. We had a long discussion about the need to revise the book, but if we did, should we use the tapes? It was not a decision we took lightly. I could have just reissued the first book, then gone to a beach."

"But, in the end, we thought we should use them, because people had this great need for openness and honesty. Lord Spencer's funeral oration got applause, because he spoke from the hip, and everyone wanted that. We couldn't not do it."

He and Michael O'Mara have since don-

ated £300,000 between them to a charity other than the Red Cross, that also helps land-mine victims. The first book, which was translated into 29 languages and sold in 80 countries, is said to have made them £5m each. The new one has topped the best-seller lists since the day it came out.

Andrew Morton is a huge man: 6ft 4in; huge shoulders; huge hands; huge neck; huge, square jaw; hugely handsome in a very Christopher-Reeve-meets-Clark-Kent-via-a-shopping-spree-in-C&A sort of way. He thinks it was his height, plus, of course, his intelligence, that first recommended him as the *Daily Star's* royal correspondent. "I could see over the crowds, and knew that Philip was spelt with one 'I'."

I tell him that not all British journalists are bitter and twisted and jealous. But, that said, your tie's horrid, and you do write novelette purple

We meet at a hotel, which is a shame, because I would like to have seen his house in Highgate, north London, which is worth £1m, and very smart by all accounts. He won't have it, though. The trouble with inviting journalists in, he says, is that they "later go off and spend three paragraphs sneering at your furniture."

I am disappointed. I tell him, but can see he has a point. I can't even leave my own house without sneering over my furniture. You should see the carpet in the front room. A horrible thing with swirl patterns on it. It is. Even I think less of myself whenever I see it.

He goes on to grumble a lot about journalism today. It's all adversarial, he complains. "It's like everyone wants to get in the ring with me and take a punch." He prefers, he says, the American style, "because you can just go on and tell a story. Where can you do that here? *Newsnight*?

I don't think so. All you can do is go on to *Richard and Judy* and have an hysterical phone-in." I tell him that not all British journalists are bitter and twisted and jealous. (But, that said, your tie's horrid and you do write novelette purple. "Like a gust of wind across a field of corn, her moods fluctuated endlessly." Not, I think, a line nicked from Dostoevsky.)

Andrew Morton was born and brought up in Yorkshire. His father, Alec, ran a picture framing and art materials business in Dewsbury. He thinks a lot of the enmity he aroused had to do with class hatred. "If you are given £100m just for being born, it's OK. But if you work hard and earn some money, then the British despise you."

A bright boy, he went to Leeds Grammar, then to Sussex university where he studied history and developed an interest in aristocracies and elites. "It always fascinated me that so few people could own so much of the world." His father would have liked him to have taken over the business – he was brought up, he says, in an atmosphere of "one day, son, all this Windsor & Newton ink will be yours" – but he'd always wanted to be a journalist. His mother, Katherine, "had twitching curtain syndrome. She always wanted to know what was going on. And so did I."

Before arriving at the *Daily Star*, he had done his stint on local newspapers and had married his teenage sweetheart, Lynne, whom he'd met on a caravanning holiday when 17. (They have two daughters, now 12 and 14). His first ever royal job was chasing Prince Andrew and Koo Stark to Mustique. "Great fun. Great fun." Then,

via the *News of the World* and the *Daily Mail*, he went freelance to concentrate on books. Prior to *Diana, Her True Story*, he had written eight marginally successful but highly forgettable books with titles such as *Inside Kensington Palace* and *Prince Andrew, The Playboy Prince* – which, even he accepts, "must be one of the worst books ever".

He began researching his Diana book in the winter of 1990. Of course, he did not expect Diana to collaborate. But, even so, he asked Dr James Colthurst – a mutual friend – if he would ask her to consider answering some questions. Amazingly, she agreed. Why? Because, he thinks, "she wanted to get her retaliation in first." Retaliation against whom? "Charles, for going back to Camilla shortly after their marriage. Then Charles got his own back by doing the Dimpleby thing, which was actually promoted as the complete riposte to Morton's book. Then Diana retaliated by doing *Panorama*..." He says that any accusations that he might have further wounded Princes William and Harry with his revelations are ludicrous. "Their parents had said it all in public already."

But how did he feel when the tapes – which were recorded by Dr Colthurst in Kensington Palace, unbeknown to any royal officials – started coming back, and he heard the absolute dynamite that was on them? Did he call out to his wife: "Lynne, Lynne. Come listen to this bit. 'Couldn't sleep, didn't eat. Sick the whole time... Charles said I was crying wolf... threw myself downstairs... he's had a bracelet made for Camilla Parker Bowles – so rage, rage, rage'?" And then did he and Lynne dance jubilantly about their then quite small and poky flat in Muswell Hill, knowing that they had hit the jackpot and were on their way to something much smarter and more Highgate?

Not exactly, no, he says. "When I first heard the stuff I did think: 'My God, this is going to create a firestorm.' But first I had to prove it all, had to get other

people to support what she was saying, which was tricky, because everything was being done in secret." Weren't her good friends in on it too? "To this day, I don't know who was and who wasn't. I never asked." Eventually, *The Sunday Times* agreed to serialise it, but only after Andrew Neil, "to his credit", agreed to take a second look at it.

If, by some miracle, Diana were to walk into this room now, I ask him, what would you want to ask her? "Was it worth it?" he replies. Was what worth it? "All of it." And what do you imagine her reply would be? "I think she would say 'yes'. I think her experiences made her what she became, and she was getting to like what she became."

No, he did not take advantage of her when she was at her most depressed. "She had already come through the darkest periods, and was referring back to them." So what now, then, for Andrew Morton, if, considering what he probably has in the bank, he even needs a "what now"? He insists he does. "I don't want to become the Neil Armstrong of biography," he says. For the last three years, he's been working on the authorised biography of the Kenyan president Daniel Arap Moi, which is due out shortly. This, he doubtless hopes, will boost his credibility as an important chronicler of late-20th-century figures.

And, maybe, when it comes down to it, Andrew did do something important. Certainly, he managed to expose our royals for the mad and greedy and dysfunctional lot they are. A cracking scoop, whichever way you look at it. Although I'm not sure it has anything to do with Chaucer or Dostoevsky or being a Noah, frankly.

Both Andrew Morton and Michael O'Mara are supporting the work of HMD International to clear mines in Angola. Anyone wishing to make donations to the charity, should contact it at: Studio 9, 27a Pembroke Villas, W11, 3EP (0171-229-7447).



DINAH HALL

Sharing some of the facilities of private schools may salve liberal consciences, but it's difficult to dispel an uncomfortable aura of forelock-tugging

I'm looking forward to parental reaction to the Invasion of the Oicks into public schools, particularly if this – from sources close to my brother-in-law – is anything to go by. "Jolly good idea – leech 'em hunting, shooting and fishing – some of the bloody townies might see what hunting's all about. What about riding lessons – I believe they don't have them in those, what do they call 'em, basin schools. Put 'em on horseback – with luck a few of the buggers might fall off and break their necks."

Of course, sharing some of the facilities may salve a few liberal consciences, but it's difficult to dispel an uncomfortable

aura of forelock-tugging. Particularly offensive is the unspoken notion that teaching, rather than facilities and financing – is necessarily superior in private schools. Of course, there are bad teachers in both sectors, but I suspect the really inspired and devoted teachers are to be found in the state system. There are certainly plenty of mediocre teachers in private schools who know they couldn't hack it in the local comprehensive because they don't have the skills to deal with a range of abilities and behaviour. Nevertheless, there must be mileage in bringing in some old boys to lead a few lessons.

Elton could offer Lord Spencer for personal and social development, and Darius Guppy on business ethics...

The Rugby schoolboy who ran off to Barbados is hardly a role model for the public school system, yet he has been championed by the right-wing press. Suspicions that he was a complete prat were confirmed not only by his choice of shirts but also by the fact that, when he finally agreed to speak to the press, he insisted it could only be to *The Daily Telegraph*. So he was right about one thing – he did need to broaden his outlook on life.

It's common knowledge that pupils from some of the most pressured, academically successful schools crack up when they get to university, and find there's nobody there to turn the pages of their textbooks for them. But if you survive that hurdle there's still the parental trauma of school quiz nights to overcome. This is where all the deepest insecurities emerge. I was told by one parent that she wasn't coming because she had heard I was snooty about people who did well in the soap operas round. Absolutely not true. This was the only subject on which I might have made a decent show, but they had

dropped it this year in favour of "emotions on the Net". The question-setter – who failed the 11-plus but is clearly massively more intelligent and better educated than any of us who went to private school – was obviously trying to prove something. The staff table were happy, though, to come a respectable third. Mr Brooker was gloating the next day about their performance in the poetry and literature round – though you can bet it was his wife, not him, who knew that all the women in *The Love Song of Alfred J Prufrock* were talking about Michelangelo.

I put down sex as the answer.

but this is what happens when you read too many women's magazines.

Flu is particularly dangerous in our household – not that we have old people to worry about, it's the 11-year old hypochondriac who's vulnerable. Some idiot – me, I think – had told him that if your temperature reaches 105 you die, so he lay in bed on Saturday taking his temperature every five minutes instead of sleeping it off. 102 degrees confirmed his self-diagnosis of meningitis, and when it hit 103.8 his wails could be heard all down the street: "only 12 more points and I'm dead."

صبرنا من الازل

Festive cheer kicks in early as brewers line up to report results

WEEK AHEAD



CATHY NEWMAN

The corks will be popping this week as the festive season begins in earnest and three of the big drinks companies report their results.

First off the block is Scottish & Newcastle, which has scheduled interim figures today. Two factors could give S&N shareholders a hangover, though, despite a healthy increase in profits from £198m last year to between £210m and £225m this time round.

The first uncertainty centres on S&N's supply deal with Innternational. The contract, which sees S&N supplying all Innternational's beer, or around 1 million barrels a year, goes out to tender in March 1998. The second potential downside is the havoc the strong pound has been wreaking on S&N's Center Parcs leisure division. Although observers have suggested the sale

of the division could raise £1bn, S&N has strenuously denied it is considering such an option.

Drinks pundits would love to toast Bass as it splashes out on a big acquisition. The company has been thwarted in its expansion attempts. Its planned purchase of Carlsberg-Bellamy was blocked by the Department of Trade and Industry and Nomura beat Bass to the William Hill betting shops.

So analysts expect to see some success on the acquisition front soon, and believe that Bass is far more likely to spend its war-chest on a shopping spree than on buying back shares. Disposals are probably more likely to be announced than acquisitions, though, when Bass reports its full-year results on Wednesday. Forecasts for pre-tax profits range from £720m to £735m, against £674m last year.

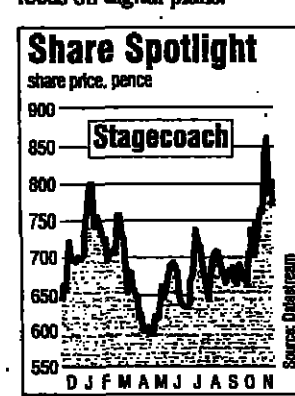
Grand Metropolitan takes a final bow when it reports full-year results on Thursday, its last as an independent company before it gets swallowed up by Guinness to form Diageo. Expectations for pre-tax profits range from £970m to £990m, against £965m.

Carlton Communications reports full-year figures on Wednesday. Shares in the broadcasting group have been a bumpy ride since it won the right to transmit digital terrestrial television services in the summer.

The City has been worried about the risks associated with setting up digital, and will be looking for reassurance the day after tomorrow.

British Digital Broadcasting, Carlton's digital TV joint venture with Granada, has not yet been formally granted a li-

cence, as the European Commission is still looking over the regulatory issues. Carlton would assuage the market's fears if it could give news of progress here, or any hints of changes the European competition authorities may impose as a condition of granting the licence. A large chunk of the presentation to the City will focus on digital plans.



A promise that BDB will have its services up and running by autumn 1998 would help Carlton's share price. But many believe that, with the delay in Brussels, launching next year would be impossible as the set-top boxes which unscramble the digital signals will not be ready.

Many analysts are hoping Carlton will announce a share buy-back, although others feel excess cash would be better spent on digital projects. Pammure Gordon estimates that the group will have £40m in cash by the year end. The market is looking for full-year pre-tax profits between £324.5m and £338m, compared to £295.7m last year.

Most of the other media stocks reporting this week are radio companies. GWR Group, owner of Classic FM, reveals its interim on Wednesday,

providing an opportunity for the City to quiz it about its biggest shareholder, DMG Radio. News emerged at the beginning of November that DMG, which is owned by the Daily Mail & General Trust, was considering selling its 19 per cent stake, just months after Capital Radio sold its 13 per cent share of the group. If DMG sold, it would put GWR into play. Analysts will also want a progress report on GWR's plans for digital radio.

The house broker predicts pre-tax profits of £14.1m for the year to the end of March 1998, but there were no interim forecasts available. Chrysalis Group and Scottish Radio Holdings also report this week. Stagecoach will unveil its interim tomorrow. The company's shares have been in sharp decline in the past week or so, precipitated by sell-off

from Dresdner Kleinwort Benson. The broker said there was a risk that the three rolling stock leasing companies (rosco) would be regulated. Days later, reports suggested John Prescott, deputy prime minister, agreed with the rail regulator, John Swift, that regulation of the rosco should safeguard investment in new trains. Before one-offs, pre-tax profits of £70m to £76.4m are anticipated, compared with £35.5m in the previous period.

Great Universal Stores, Courts and Heal's form the retailing interest next week. Pre-tax interim profits for GUS are likely to come in at up to £243m, against £226.7m. Courts will probably report interim pre-tax profits of around £9.1m, dipping from £9.6m; and maiden full-year pre-tax profits for Heal's are expected to reach £2m to £2.2m.

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Stock	Price	Weekly	Index	Stock	Price	Weekly	Index
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00
Alcohol	100.00	1.00	100.00	Alcohol	100.00	1.00	100.00

Share Price Data

Prices are in sterling except where stated. The yield is the least twelve months' declared dividend as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding extraordinary items but including exceptional gains. Gilt Prices are Bloomberg Government. Other dealer's Ex-Right = Ex-dividend, Ex-Right + Suspended; P-Party Paid; on Nil Paid "AAP".

Source Bloomberg

The Independent Teleshare - Tel. 0891 - 201 200

To access Real-Time Share Prices, 24 hours a day, call 0891 - 201 200.

You will hear the current FTSE 100 Index followed by a Stock Market Summary Report.

You can interrupt at any time to hear the Real-Time Share Price by keying "1" plus a 4-digit code on the listings on this page.

To get a Membership Number to set-up your Portfolio facility please call the Help Desk on 079-8280 (during business hours).

For help with the service, including the Portfolio facility, call the Help Desk on 079-8280.

Giants to pull out of drinks retailing

Allied Domecq and Whitbread are preparing to sell their off-licence chains. Andrew Yates says the move by the drinks giants heralds a huge shake-up of the troubled retailing end of the industry.

Allied Domecq is believed to have put its Victoria Wine off-licence chain on the market. Whitbread is also considering selling its off-licence business, which includes brands such as Thresher, Bottoms Up and Wine Rack.

Analysts believe that Parisa, the UK's largest independent off-licence group, is likely to launch a bid for one or both of the chains. Parisa was formed in August with the £56m management buyout of Greenalls' off-licence chain backed by venture capitalists CVC Capital Partners and NatWest Ventures.

Nader Haghighi, Parisa's chief executive, said: "We are always looking for possible acquisitions as long as they are at the right price." However he refused to comment on whether Parisa was preparing to mount

a takeover for Victoria Wine or Thresher.

Other venture capitalist groups are also likely to be interested in acquiring the chains.

A deal is unlikely to be concluded before the end of the year. Buyers and sellers will want to assess how the chains perform in the run-up to Christmas. However Allied and Whitbread are understood to have decided that the off-licence businesses no longer feature in their long-term strategies and at least one is likely to be sold within the next few months.

The off-licence industry has been hit by growing competition from the supermarket chains, which now stock a wide variety of beers, wines and spirits.

Drinks sales have also been affected by the surge in cross-channel shopping. Growing numbers of customers are going to France on day trips to pick up car loads of cheap booze.

The disposals of Victoria Wine and Thresher will prompt the long overdue consolidation of the industry. Some outlets and chains are likely to be closed and others rebranded as the new owners attempt to fight back against the supermarkets.

Parisa has already shown the way forward for the industry



Bailing out: Whitbread may sell Thresher, whose operating profits rose just 3 per cent

Photograph: Kalpesh Lathigra

by launching Booze Buster, a discount chain designed to undercut Sainsbury and Tesco.

Other off-licence chains are also likely to come on to the market in the wake of the Allied and Whitbread deals.

Allied announced last month that Victoria Wine's trading profits had fallen by £3m in the year to August. City observers point out that Allied no longer needs a chain of off-licences

through which to channel its own beer, having effectively exited brewing with the sale of its 50 per cent stake in Carlsberg-Tetley. Allied is now willing to sell the businesses to concentrate on brokering a spirits merger

with a number of international partners in the wake of the £23m merger of Grand Metropolitan and Guinness.

Whitbread is understood to be keen to expand its restaurant

and pub interests rather than pump more investment into Thresher. Over the past few years the group has turned itself into a diversified leisure group after an acquisition spree

which has seen it purchase David Lloyd's health clubs and the Cafe Rouge and Dome restaurant chains.

Thresher's operating profits rose just 3 per cent in the six months to August, well below

the level of growth Whitbread achieved in its leisure business.

There is speculation that Whitbread is also looking to sell its brewing business. With beer sales in the UK falling, Whitbread finds itself with a 15 per cent share of a declining market.

Whitbread will announce today a £50m investment in its Hogshead pub chain. It plans to open 40 sites next year and create 800 jobs.

Toad poised for make-or-break bids

Chris Evans, the millionaire entrepreneur, is poised to pull off a string of deals at Toad, his struggling car technology group. But, as Sameena Ahmad reports, if the expansion strategy fails, he might have to turn his back on the City and take his company private.

Toad, founded by irrepressible microbiologist-turned-tycoon Chris Evans, is about to announce three acquisitions which could turn the car security company into one of the largest in Europe.

Sources say Toad is poised to buy Sextons, one of the UK's biggest remaining private car security groups with turnover of around £20m and annual profits of some £2m, and Stoploc, which makes steering wheel clamps.

The combined price tag would be around £15m. Both deals could be announced before Christmas.

Toad, which this month turned profitable for the first time, is also believed to be exploring the possibility of buying a big windscreen manufacturer and repainer.

The two biggest are Autowindcreens, a £70m company belonging to Heywood Williams, the quoted building materials group, and the bigger Autoglass, a sub-

siary of South African Breweries. Industry sources suggest Toad is stalking the Heywood Williams division.

Toad is believed to be considering raising new funds from the market for the acquisitions but is understood to have enough backing from private sources, including Bill Gates of Microsoft.

Toad is capitalised at just £6m after its share price collapsed in 12 months from a 118p high. The shares fell by one-third in February after Charles Parker, the chief executive, walked out after only 27 days in the job over "irreconcilable differences of management style".

Three more Toad directors were told to go between March and June after Kevin Gray, Toad's new chief executive, embarked on a round of cost-cutting. If the share price continues to founder, Dr Evans will consider taking the company private.

Dr Evans founded and floated a string of companies, including biotechnology specialists Chiroscience and Cel-sis. He is now chairman of Toad.

In a high-profile deal in May, Dr Evans gave the broadcaster Noel Edmonds' Unique group 500,000 Toad shares in return for publicity. Mr Edmonds has an earnt with Toad worth another 1 million shares in the next two years if the price, currently just over 20p, reaches 240p and Toad's name achieves 30 per cent public recognition.

Stakis to spend £14m on expanding its casino division and creating mass-market appeal

Stakis, the hotel and leisure group, is gambling on a large expansion of its casino division, despite a poor performance from the business over the past few years. It plans to go ahead with an ambitious £14m spending programme over the next 12 months, including a massive refit of sites at Hull, Leeds and Birmingham.

Stakis has given the casino division 12 months in which to effect a turnaround and warned it would have to put a for-sale sign over the business if it failed. However, David Michels, Stakis chief executive, is understood to be committed to the business for the long term and is unlikely to sell it.

Stakis has changed the divi-

sion's management team and radically overhauled the business in an attempt to give the casinos mass-market appeal.

Analysts believe the group's financial results next Thursday will confirm that the casino business is on the road to recovery. A new casino at Edinburgh is also believed to be performing well.

In the longer term, Mr Michels believes the casino business has huge potential and the industry should benefit from the deregulation of the gaming industry. The Government is expected to pass legislation soon allowing casinos to start advertising and put their name in the phone book.

Stakis is also expected to con-

firm that the performance of the £327m Metropole hotel chain it bought last year has beaten expectations. Stakis is proceeding with a £85m refit of the London Metropole, a move designed to make it the biggest conference hotel in Europe.

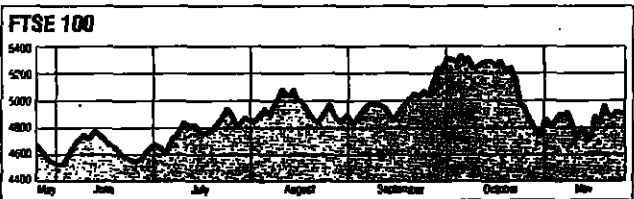
Stakis plans to expand its hotel division gradually and roll out new restaurants and health

clubs, rather than launching another major acquisition or going on a building spree.

Stakis recently put eight of its worst-performing hotels in England and Scotland up for disposal. Four sales are understood to be in the hands of solicitors, but it is struggling to sell the other properties.

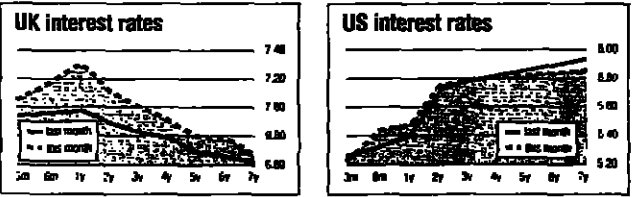
— Andrew Yates

STOCK MARKETS



Indices	Class	Wk's chg	Wk's chg%	52-wk high	52-wk low	Yield%
FTSE 100	4831.80	-154.00	-3.09	5367.3	3882.7	3.659
FTSE 250	4856.70	-9.00	-0.19	4963.8	4321.8	3.468
FTSE 350	2338.80	-60.70	-2.53	2570.5	1935.7	3.621
FTSE All Share	2288.64	-56.98	-2.39	2507.68	1942.22	3.607
FTSE SmallCap	2272.1	-6.80	-0.30	2407.4	2127.5	3.418
FTSE Healthcare	1240.1	-12.90	-1.03	1346.5	1198.7	3.473
FTSE AIM	967.5	-13.90	-1.42	1138	965.3	1.074
Dow Jones	7928.13	-57.04	-0.72	8263.03	6286.05	1.742
Nikkei	16595.28	-35.32	-0.21	21289.88	14966.13	0.928
Hong Kong	10526.92	-21.28	-0.20	16820.31	8775.88	4.028
Dax	3948.14	-10.55	-0.27	4459.89	2760.76	2.019

INTEREST RATES

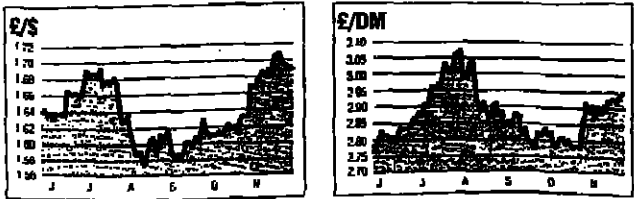


Money Market Rates	3 months	6 months	1 year	1 yr 6m	10 years	Long term	1 yr 12
UK	7.75	6.50	6.00	5.50	5.00	4.50	1.12
US	5.50	4.40	4.00	3.50	3.00	2.50	0.30
Japan	0.50	0.40	0.30	0.20	0.10	0.05	0.03
Germany	3.75	3.50	3.00	2.50	2.00	1.50	0.62

MAIN PRICE CHANGES

Rises	Falls
Allied Colloids 168 42 33.33	Lonica Group PLC 115 -27.5 -19.16
Brit Biotech 122 16 15.08	Bullion PLC 146 -24.75 -14.49
Coil Telecom GRP 643.5 45 7.52	Guardian Royal 285 -36 -11.76
RJB Mining PLC 160 10 6.67	GM Group 446 -59 -11.78

CURRENCIES



Pound	Friday	Wk's chg	Yr Ago
Dollar	1.6888	+0.24c	1.6820
D-Mark	2.9792	+3.86pf	2.9757
Yen	216.04	+13.63	191.05
£ index	105.00	+0.70	93.80
Dollar	Friday	Wk's chg	Yr Ago
Sterling	0.5918	-0.00p	0.5945
D-Mark	1.7649	+2.53pf	1.7625
Yen	127.85	+11.88	113.85
\$ index	107.30	1.00	97.30

OTHER INDICATORS

Commodity	Friday	Wk's chg	Yr Ago
Brent Oil (\$)	18.97	0.29	23.12
Gold (\$)	287.00	-7.95	371.85
Silver (\$)	5.30	0.07	4.73
Index	Friday	Wk's chg	Yr Ago
GDP	113.90	3.80	109.7
RPI	159.50	3.7	158.81
Base Rates	7.25	6.00	

www.bloomberg.com source: Bloomberg

RJB will block moves to buy coal pits

Richard Budge, the embattled chief executive of RJB Mining, has told the Government he will block any approaches by rivals to buy pits earmarked for closure by the company. Chris Godsmark, Business Correspondent, reports as the RJB board prepares moves which could see 5,000 jobs go in the closure of up to eight pits.

It emerged yesterday that Midlands Mining, the private company which runs two pits, Annesley Bentinck and Silverdale, was interested in buying some RJB pits due to be closed in the looming coal industry shake-out. But RJB is understood to have told the Department of Trade and Industry it will not be prepared to sell the pits to rivals. John Battle, the Energy Minister, has asked the Coal Authority, the body left from the shell of the former British Coal, to examine the issue further.

Under the terms of the £815m sale of British Coal's English pits to RJB in 1994, the group has sole control over their future. This leaves the Coal Authority only with powers to license the underground reserves. After closing pits, RJB has warned there is nothing to stop the company removing equipment, filling in the shafts and leaving no economically viable access to the coal.

The interest from Midlands Mining in buying the pits would depend on the company's success in cutting prices further than RJB and selling more coal to the power generators.

Jim Sorbie, head of Midlands, rescued the group's two pits from receivership of Coal Investments, the company created by Malcolm Edwards, former British Coal commercial director. Midlands has been criticised by mining unions for a pay deal which offers workers lower wages than RJB and more flexible hours.

Mr Battle said yesterday that Midlands' interest endorsed his belief that deep-mined coal had a long-term future. "It's very interesting that companies such as Mid-

lands, which have bought other pits which have been declared unworkable, have managed to keep them going and have managed to sell coal and organise contracts for the future with the power generators."

Stuart Oliver, spokesman of the Federation of UK Coal Producers and for RJB, said the Government should focus on enlarging the markets for coal. "The real issue at stake is the size of the market. This is not about ownership of pits."

The board of RJB, led by Mr Budge, will meet today to begin moves towards closures, by setting in motion a review which will match production capacity with demand. The scheduled meeting comes after National Power, the largest coal-fired generator, last week confirmed it would have its order for RJB coal when long-term contracts expire in April 1998.

The announcement of the first closures is not expected until later this month, when negotiations with PowerGen, the second-biggest generator, are expected to conclude. One possibility is that RJB would close the Selby complex, which includes five pits.

FTSE fall to be investigated

The Stock Exchange will investigate a sharp fall in the FTSE 100 share index late on Friday that led to fresh complaints about the operation of the new order-driven trading system. Late trades in FTSE 100 stocks sent the index reeling 38 points in the last minute before the close. Drug group SmithKline Beecham was one of the main casualties of the collapse, along with Glaxo Wellcome.

CBI backs top-up pension

Extra funds on top of the basic state pension should be targeted at the poorest pensioners, according to the Confederation of British Industry. In its response to the Government's pensions review, published today, the CBI says that, rather than increasing state pensions for all, those most in need should be targeted through a new minimum pensions guarantee. The CBI suggests funding its proposed scheme through a tax credit system. In its submission, the CBI says the basic state pension should be kept, but Serps should be replaced by national funded pension schemes, dubbed stakeholder pensions. It suggests a number of competing funded schemes should be set up.

Korea agrees to IMF loan

South Korean state radio said the government had reached a preliminary agreement with the International Monetary Fund on the terms for a rescue loan. However, disagreements over the details remain, preventing a formal announcement. Once the terms are settled, the US and Japan are likely to offer additional emergency loans. The IMF is reported to have asked Korea to liquidate three or four commercial banks and a dozen merchant banks in an effort to restructure the troubled financial sector.

Brussels holds the key to accountancy merger plan

Coopers & Lybrand and Price Waterhouse, the two Big Six accounting firms, are today expected to announce that their 8,500 partners around the world have given overwhelming support to their planned merger.

The result of the vote paves the way for the firms' management to submit to the European Commission their proposals for creating the world's largest professional services practice. Besides the 8,500 partners, it would have 135,000 staff around the globe and total revenues of more than \$13bn (£7.6bn).

The plans are already being scrutinised by regulators in other parts of the world, including the United States. However, it is understood that the European competition authorities wanted to wait until the ballot of partners had been completed in case there were any changes to the original proposal.

With the Brussels regulators likely to consult with the UK's Office of Fair Trading and other parties, both firms are resigned

to the inquiry taking several months.

Meanwhile, the timetable of the proposed union of KPMG and Ernst & Young has slipped. The two firms, which in October announced plans to create a combined firm even bigger than that proposed by Coopers and PW, will not ballot their partners until early next year.

The intervention by KPMG and E&Y is known to have irritated Coopers and PW on the grounds that two combinations would represent a much greater consolidation in the accountancy market than a single merger and might be seen as a bigger threat to competition. However, all four firms have stressed that the markets in which they operate are complex. While observers have expressed concerns about competition, standards and costs, the managements emphasise that in management consultancy and corporate finance, accounting firms face many competitors.

— Roger Tropp

Savings Rates

From start of business on 1st December 1997 the following rates of interest are applicable to the accounts set out below:

	GROSS %	NET %
90 Day Notice Account* - Paid Annually		
£100,000+	7.50	6.00
£50,000-99,999	7.25	5.80
£25,000-49,999	7.00	5.60
£10,000-24,999	6.70	5.36
£1-9,999	0.50	0.40
90 Day Notice Account* - Paid Monthly		
£100,000+	7.25	5.80
£50,000-99,999	7.00	5.60
£25,000-49,999	6.75	5.40
£10,000-24,999	6.45	5.16
£1-9,999	0.50	0.40
60 Day Notice Account** - Paid Annually		
£50,000+	6.10	4.88
£25,000-49,999	5.85	4.68
£10,000-24,999	5.40	4.32
£5,000-9,999	4.35	3.48
£500-4,999	4.10	3.28
£1-499	0.50	0.40
60 Day Notice Account** - Paid Monthly		
£50,000+	5.10	4.08
£25,000-49,999	4.85	3.88
£10,000-24,999	4.40	3.52
£5,000-9,999	3.35	2.68
£500-4,999	3.10	2.48
£1-499	0.50	0.40
Flexible Savings Account - Paid Annually		
£50,000+	4.80	3.84
£25,000-49,999	4.80	3.84
£10,000-24,999	4.40	3.52
£5,000-9,999	3.90	3.12
£2,000-4,999	3.65	2.92
£1,000-1,999	3.40	2.72
£500-999	3.40	2.72
£1-499	0.50	0.40
TESSA***		
	7.30	N/A

All rates are variable. Interest paid annually unless otherwise stated.

*Gross rate does not take account of the deduction of income tax at the Lower rate of 20%.

***Withdrawals in excess of 80% of interest earned will result in loss of tax exempt status and the closure of the account.

90 days notice of withdrawal required or equivalent loss of interest on amount withdrawn.

TSB Bank plc, 71 Lombard Street, London EC3P 3BS.

TSB Bank Scotland plc, Henry Duncan House, 120 George Street, Edinburgh EH2 4LH.



DAVID OWEN
ON THE
NATIONAL
ASSET
REGISTER

The proper way to sell off the family silver

Gordon Brown has joined the Bank of England (and ourselves) in the camp that thinks the economy will display slow growth next year. His pre-Budget Report tilted the odds further in favour of a slow-down.

For one thing, an upward revision to the Treasury's 1998 inflation forecast gives the hawks on the Bank of England's Monetary Policy Committee further ammunition for raising interest rates. Moreover, despite announcing a further reduction in the mainstream corporation tax rate, changes in the timing of corporation tax payments will initially hit corporate cash-flow to the tune of £2.3bn in 1999/2000. This is going to cut investment rather than boost it.

Yet the most significant fiscal policy initiative came, not in the pre-Budget Report itself, but the previous day and was flagged up by Alistair Darling, the Chief Secretary to the Treasury, when he published the National Asset Register.

Departments will be allowed to sell some of these "Domesday Book" assets as a source of finance for capital spending.

Contrary to popular opinion, it was a Labour Chancellor, Denis Healey, who started the privatisation ball rolling in the late 1970s with the sale of Associated British Ports. The Tories took the idea up in a massive way. To date, around £70bn has been raised from privatisations.

Many believe there were efficiency gains from transferring these assets to the private sector.

What was not so efficient was the macroeconomic impact of using the revenues raised to help finance the tax reductions of the 1980s.

The Government's current plans assume no privatisation receipts next fiscal year. Part of the rationale is that privatisation proceeds should only be scored for sales that have already been

announced. However, it may also be an indication that the Government is running out of assets to privatise.

What's more, the Government's new code for fiscal stability puts an emphasis on public sector balance sheets which will not encourage further widespread privatisations.

On current official estimates, public sector net wealth (the difference between Government-owned assets and liabilities) fell sharply from about 70 per cent of GDP in the 1980s to less than 10 per cent in 1996 (see chart).

The privatisations and historically low levels of public sector investment in the three years prior to the 1997 election have reduced the stock of Government assets to very low levels indeed. Transferring additional assets to the private sector would further weaken the balance sheet of the public sector.

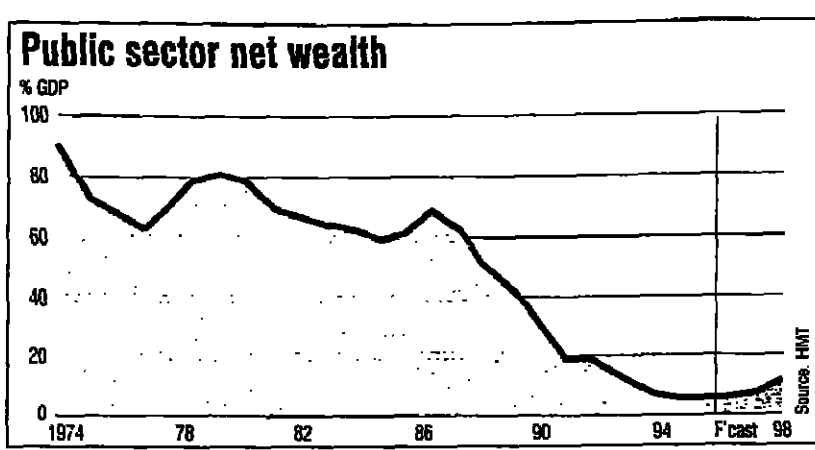
So how can it be that the Treasury will permit limited asset sales uncovered in the new "Domesday Book"? The big difference (at least in theory) is that the proceeds can be used only to finance capital expenditure.

In effect, Mr Darling has paved the way for a significant increase in public sector investment.

Previous estimates suggested that, excluding local authorities and public corporations, central government has around £100bn of tangible assets, including land and buildings.

The National Asset Register suggests a much higher figure when small but valuable items are included. Although the 546-page document only puts a value to relatively few items, including Royal Botanic Gardens, Kew (value £2.8m), officials were suggesting a total figure as high as £300bn.

For the three years from April 1998 to March 2001, the Treasury is to allow government departments to reinvest all receipts from the disposal of such assets.



up to a limit of 3 per cent of their budgets on an annual basis. At any one time, government departments may only dispose of assets up to a value of £100m. However, the sums involved could still prove highly significant.

Potentially, with net departmental outlays totalling around £270bn a year, almost £25bn could be released over the next three years to fund existing or additional capital expenditure. On present rules, money raised from the disposals cannot be transferred between government departments.

Even if some departments fall a long way short of their maximum allowable sales - as they no doubt will - total disposals could still far exceed the scale of privatisations in recent years and have a significant impact on the wider economy.

The public sector's overall balance sheet will remain unaffected, since the Government will only be swapping one public sector asset for another.

However, it could represent a much more productive use of assets. Few would disagree with the idea of selling off bracket clocks or car parks to finance a new hospital.

Nevertheless, there would be a dif-

ference depending on whether the government decides to use the finance raised to fund additional spending or simply to help finance the existing targets.

Literally selling the family silver could circumvent the problem that Mr Brown will face later in this parliament of either having to raise taxes or running a higher PSBR to fund greater public sector investment.

Kenneth Clarke was only able to maintain current spending and fund tax cuts by savagely cutting public sector capital expenditure in the three years running into the 1997 election.

Such sharp reductions in public sector capital expenditure were never likely to prove sustainable, even if the PFI picked up momentum later in this parliament.

Even if he hits his near-term targets, the City has been concerned that Mr Brown could have been forced to relax the purse strings nearer the next election.

Indeed, historically there has been a correlation between general election results and the strength of public sector capital expenditure.

Allowing government departments to sell their less productive assets to the pri-

ivate sector could free up the cash for capital spending on politically sensitive areas, such as infrastructure, health and education.

At least, this is the theory. To say that any asset sale could only be used to finance capital spending sounds easy.

In practice, how can the Treasury ensure that the money raised from asset sales goes only to finance additional public sector investment?

It is easy to see this rule slipping. The key test is whether "Domesday"-financed investment is an addition to investment that is already in the plans.

There is a big difference between the sale of an asset to finance additional capital expenditure and flogging it off simply to meet existing public sector capital expenditure targets.

If, as is likely, the overall control total for spending (both current and capital) is left unchanged, the use of asset sales in the latter case would merely free up money to boost current spending, including perhaps the public pay bill.

This would not have the same beneficial impact on the public sector's balance sheet as spending the money raised on capital expenditure over and above the existing plans.

The bigger problem is that, when the asset sales dry up in March 2001, Mr Brown would be left with high ongoing spending commitments which he would find difficult, if not impossible, to cut.

Running into an election, there would be pressure on him to maintain the momentum of spending in areas which were seen as earning a relatively immediate return.

Even with the best will in the world, it is easy to see the release of "Domesday" assets as ending up having unintended consequences.

David Owen is UK economist and a director of Dresdner Kleinwort Benson.

TEL: 0171 293 2222

BUSINESS TO BUSINESS

FAX: 0171 293 2505

International Phone Calls

International Phone Calls

Services

Services

The adventures of... **WORLDCALL WOMAN**

One cloudy day...



What's more - Worldcall's AMAZING SAVINGS apply 24 hours a day, so you'll be free to call whenever you want.

£8 worth of
FREE calls*

Low Rates to over 240 Countries

A few examples	BT	Worldcall	% Saving
UK National/Regional	8p	6p	25%
USA	£0.24	10p	58%
Japan	£0.77	23p	70%
South Korea	£1.08	48p	55%
Germany	£0.28	14p	50%
Australia	£0.49	20p	59%
India	£1.20	60p	50%
Egypt	£1.26	67p	47%
U.A.E.	£1.02	55p	46%
Nigeria	£1.05	65p	38%
Russia	£0.80	47p	41%

Per minute - including VAT

Worldcall
For Worldcallers

Watch out for Worldcall Woman's tireless charity work in the forthcoming adventures

Do you have a business for sale? Nearly 10% of The Independent of Independent On Sunday readers are already self-employed so there could be other readers interested in your business.

Source TGI Premier Base All Adults NRS Apr-Sep '97.

JOIN US NOW
Retire in 3 years!
The Internet...
The Fastest-Growing Trend in the History of Business.
We are at the forefront of the new 'Web'...
Call 0181 236 4137
24hr information line

YOUR CHANCE TO BE PART OF SOMETHING SPECIAL
With CASH for AMBS
We are looking for PEOPLE of all ages who want their own independent business...
Call 0181 236 4958 NOW
To Discuss YOUR Future

Express STICKY PRINTS
BRILLIANT SELF-ADHESIVE COLOUR PHOTOGRAPHS ON AN EASY TO PEEL BACKING SHEET.
Produced from negatives, photographs or slides...
Call 01943 602122 FAX 01943 604343

SPECIAL LIMITED OFFER!
£49.95
Call 01943 602122 FAX 01943 604343

Opportunities
PROVEN, PROFESSIONAL HOME BASED BUSINESS that transforms lives.
Start with Yours.
Call 0181 236 4817 and just listen (Not MLM or Franchise)

YOUR OWN HOME BUSINESS
Operate your own Discount Airline...
Call 0181 236 4817

Opportunities
Enjoy 16.25% Return on your investment.
Buy houses to let opportunities. From single units to large portfolios...
Call for free information pack and expert advice.

NOTICE TO READERS
Whilst we take reasonable precautions with all advertisements, readers are strongly advised to take professional advice before putting a deposit or entering into any financial commitment.

Cull or cure dilemma as badgers get blame for epidemic



Ed Barker at his Staffordshire farm where an outbreak of bovine TB resulted in the slaughter of 20 cattle and wiped out a year's profit. Photograph: Sean Pagan/Newstream. Right: The badger culling moratorium is blamed by farmers for rapid spread of the cattle disease. Photograph: Planet Earth Pictures



Dairy farmers in the west Midlands fear for their livelihoods as tuberculosis spreads through their herds 'like ripples on a pond'. Badgers carry the disease and are blamed by farmers for the losses. But, as Stephen Goodwin reports, conservationists and animal rights groups continue to argue that killing badgers is not the answer.

Ed Barker culls the 50-foot stretch of paw-trampled mounds and tunnel entrances "Badger City". The great sett lies beneath a strip of old hawthorns and hollies on the course of an ancient trackway. Ordinarily it wouldn't be a problem. Mr Barker counts himself as a friend of nature and used to take pleasure in the sight of a badger trundling along the hedge bottom.

But farmers have always been edgy about city folk and at Shawcroft Farm on the Staffordshire edge of the Peak District, Mr Barker has certainly lost his affection for the inhabitants of Badger City.

Last July, 20 of his cows tested positive for bovine TB and

had to be slaughtered. The official clampdown that inevitably followed has cost him all this year's profit—about £30,000. Mr Barker is odd-jobbing on building sites to make ends meet. Meanwhile the badgers that he blames for the whole sorry mess are prospering, spreading from "the city" to overspill setts under the protection of a government moratorium on culling infected badgers.

"Twenty years or so ago I decided to leave the area around the main sett alone for conservation," the tenant farmer explained. "I suppose it's one of those things that have come back to haunt me." He had wanted to increase his herd to 120 cows and had hired a dairyman to cope with the extra work. But movement restrictions imposed on farms hit by TB mean he cannot even replace the slaughtered cows.

Ground-nesting birds have also suffered in the explosion of badger numbers, according to Mr Barker. He believes there could be up to 50 badgers in the main sett alone. "I now have no lapwings, curlews or wild pheasants because there are so many badgers searching for food and taking all the eggs in the spring."

Until this year, bovine TB was largely confined to the south-west of England. Hundreds of farms have been af-

fected. But though the link between the disease in badgers and cows is generally accepted, scientists remain uncertain about the means of transmission and limited culling by Ministry of Agriculture (Maff) teams has failed to contain its spread. Farmers believe cows catch TB by eating grass where a badger has urinated.

With the disease creeping north, authority was granted to kill badgers in the newly hit areas. But on 20 May, before any badgers had been killed, the Government honoured an election promise to animal lovers and imposed a moratorium on new culls. Maff trapping teams were driving to Mr Barker's farm as the announcement was made and had to be called off by mobile phone.

At the time, just six herds had tested TB positive in Staffordshire, Shropshire, Derbyshire and Cheshire. Today the figure is 49 highlighted herds and rising, with Staffordshire the hardest hit. "It isn't just us the politicians are playing silly bugger with, it's the badgers as well," said one farmer. Because TB had been allowed to spread, ultimately more badgers would have to be killed, he argued.

Farmers and conservationists anxiously await the outcome of an independent scientific review on TB in cattle and badgers ordered a year ago by the Tory

government. Professor John Krebs has handed his report to the Agriculture Minister, Jack Cunningham, but its publication has been delayed. "Before Christmas", is Maff's latest forecast. There is a suspicion the review made uncomfortable reading for ministers whose stock has already fallen with the animal welfare lobby over fox-hunting.

The National Farmers' Union wants an end to moratorium in the west Midlands. A survey by the People's Trust of Endangered Species showed an 86 per cent increase in the badger population in the region over the past 10 years. In culls, badgers are cage-trapped, then shot. However, sow badgers with cubs must be released and the cull is confined to the TB-infected farm, even though the sett may be on a neighbour's land. Both limitations should be lifted, says the NFU.

Conservationists counter that since 20 years of culling badgers—some 25,000 have been killed in the South-west—has failed to eradicate TB there is no justification for continuing with the tactic. Dr Elaine King of the National Federation of Badger Groups said the NFU's call was irresponsible. "It is also disgraceful to blame badgers for preying on ground nesting birds when it is well known recent farming prac-

tices have caused the decline of many species."

Dr Simon Lyster, director general of the Wildlife Trusts, said the present situation was "unsatisfactory" for both farmers and badgers and a concerted effort was needed to find a solution. It might lie in changes to animal husbandry since the disease appeared to pass to some herds but not others, he suggested.

"What we don't want to see happen is just for the sake of political expediency ministers say 'let's go and kill a few more badgers'," Dr Lyster said. "That is what has happened in the past and it just doesn't work."

MJN Best Buys

From The Award Winning British PC Manufacturer

Take a closer look at our new range of 'Best Buy' high performance systems, now available at truly amazing prices.



MJN 233M

- Intel Pentium® 233MHz Processor with MMX™ Technology
- 32Mb EDO RAM
- 3.2Gb Seagate EIDE hard drive
- 4Mb ATI Rage II+ 3D graphics
- 16 speed MAX LG CD-ROM drive
- Creative Labs soundblaster 32 wavetable sound
- 14" SVGA 0.28dp screen
- 512K pipeline burst cache
- MJN mid-tower system unit with 7 bays (not shown)
- All standard features below
- Pre-installed software bundle (mail & antivirus not included)
- FREE 33.6 voice modem
- FREE Epson Stylus 300 color inkjet printer (limited to first 100 customers who buy this model only)

£899 -VAT
£1056.33 Inc. VAT
Model:788

MJN 200M-2

- IBM 6486MX PR200 Processor with MMX Technology (higher performance than 233M system)
- 64Mb EDO RAM
- 4.3Gb Seagate ultra ATA hard drive
- PC-TV system with Teletext and video capture
- 56K Rockwell voice modem
- 4Mb ATI Rage II+ DVD 3D graphics
- 24 speed MAX LG CD-ROM drive
- 24 speed MAX LG CD-ROM drive
- Creative Labs 3D wavetable sound
- 14" SVGA 0.28dp screen (15" £70 extra)
- +VAT = £258.50 extra
- 512K pipeline burst cache
- VideoPhone receive for incoming videophone calls
- VideoPhone receive for incoming videophone calls
- Voice recognition with IBM Simply Speaking GOLD
- MJN ATX system with Intel 430TX PC97 chipset
- All standard features below

£1069 -VAT
£1256.08 Inc. VAT
Model:770

MJN 233M Ex

- Intel Pentium® 233MHz Processor with MMX Technology
- 64Mb EDO RAM
- 6.4Gb Seagate ultra ATA hard drive
- PC-TV system with Teletext and video capture
- 56K Rockwell voice modem
- 4Mb ATI Rage II+ DVD 3D graphics
- 24 speed MAX LG CD-ROM drive
- 24 speed MAX LG CD-ROM drive
- Creative Labs 3D wavetable sound
- 14" SVGA 0.28dp screen (15" £70 extra)
- +VAT = £82.25 extra; 17" £220 extra
- +VAT = £258.50 extra
- 512K pipeline burst cache
- VideoPhone receive for incoming videophone calls
- Voice recognition with IBM Simply Speaking GOLD
- MJN ATX system with Intel 430TX PC97 chipset
- All standard features below

£1199 -VAT
£1408.83 Inc. VAT
Model:789

MJN 266-2

- Intel Pentium® 266MHz Processor with MMX Technology
- 64Mb SDRAM
- 6.4Gb Seagate ultra ATA hard drive
- PC-TV system with Teletext and video capture
- 56K Rockwell voice modem
- 8Mb AGP ATI Rage Pro 3D graphics
- 24 speed MAX LG CD-ROM drive
- 24 speed MAX LG CD-ROM drive
- Creative Labs 3D wavetable sound
- 15" SVGA 0.28dp screen (17" £150 +VAT = £176.25 extra)
- +VAT = £258.50 extra
- 512K pipeline burst cache
- VideoPhone receive for incoming videophone calls
- Voice recognition with IBM Simply Speaking GOLD
- MJN ATX system with Intel 440LX PC97 chipset
- All standard features below

£1499 -VAT
£1761.33 Inc. VAT
Model:775

Standard Features: Windows 95, Lotus SmartSuite 97, Quicken, Pagemaker, DesignWorks, HomeSite, Lotus mail, IBM Antivirus and Smartpics preloaded. Soundblaster 525 mains powered speaker system. 3.5" 1.44Mb floppy drive; PS/2 mouse; 105 keyboard; software MPEG; Yr 2000 compliant BIOS; PS/2 mouse port, fast serial port, parallel port and games port. 1 year warranty extendable to 5 years.
Note: Microphone not included (included with PLUS models only)
Printer Options: Epson Stylus color 720 X 720 dpi inkjet printer £129 +VAT = £151.58 inc. VAT (select required cable option).

MJN PLUS MODELS

are only £48 +VAT = £257.57 inc. VAT extra and include JoyStick, Headset microphone and 110 CD multimedia titles.

MJN INTEREST FREE OPTION

BUY NOW PAY LATER
Over 12 months
Example: MJN 233M PLUS: Pay just £15.99 (10% discount) and then nothing for 11 months. After 12 months pay the rest. Keep your PC - even after a year. No interest. No hidden charges. No hassle. No stress. No need to pay anything until you're ready. No need to pay anything until you're ready. No need to pay anything until you're ready.

0% APR

MJN - The Award Winning PC Manufacturer

Offers end 12th Dec

01282 777 555

The right choice

Telephone Sales Lines Are Open Mon - Fri 8.30am - 7.00pm. Sat 9.00am - 5.00pm

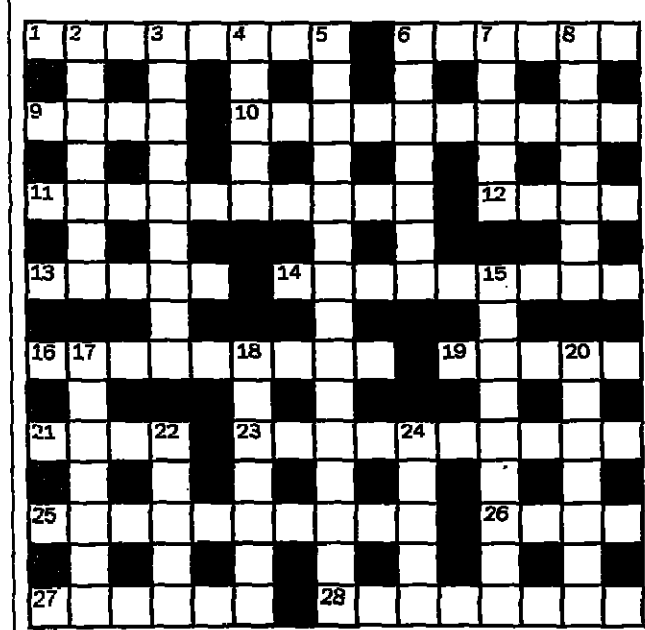
MJN Technology Limited, Cornville House, Blackburn Rd, Sarncliffe, Burley, Leeds, LS12 7GI. Fax 01282 77 08

All prices exclude delivery (£29.95) and VAT (£2.50). Software specifications are provided on CD or printed with on-line documentation. Screen views shown are for illustrative purposes only. Prices shown are for the standard configuration. All prices are subject to change without notice. Reproduction, storage and distribution of this advertisement is prohibited. The MJN logo is a registered trademark of MJN Technology Limited. ©1997

THE INDEPENDENT CROSSWORD

No. 3470, Monday 1 December

By Piers



- ACROSS
- Assistance offered on account of flyer (8)
 - Left in charge of church do (6)
 - Hit it when very angry (4)
 - Under threat of automatic discharge? (2,8)
 - Stolen car Henry crashed in the USA (10)
 - Land in part of S.E. Ireland (4)
 - Make Rex invest in company (5)
 - Forces European into fighting for love (9)
 - Detailed plan provided by navy type (9)
 - Number add weight to American view (5)
 - Switch pads that are back-to-front (4)
 - Increased reputation for being honest (10)
 - Meaning to convey a

- DOWN
- One more's heartbroken about refusal (7)
 - Respect security surrounding army unit (9)
 - I note it conveys a good likeness (5)
 - Tenor's feeling foolish revealing great love (5,2,4,4)
 - Sensitive about South African party fund (7)
 - Recall girl receiving sanction (5)
 - Scored with vigour (3,4)
 - Poor quality supplied at a fraction of cost (5-4)
 - Completely out of order? (7)
 - Island's about to join alliance (7)
 - Climbers hold with it, naturally (7)
 - Animal group nosed around within earsbot (5)
 - Long while accepting new saint (5)

If over business or anything requires you to breathe Swiss air, it's

Helpful

to know that Crestair and Swickair between them offer 7 daily return flights London-Geneva. Rights you'll find up to the limit, no doubt.

swissair

world's most refreshing airline.